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NEWS SUMMARY

GENERAL

Councils may face elections over rates

Environment Department is special local council elections as the main alternative to referendums to limit local authority spending.

This would mean that all local councillors would have to submit to a fresh election if they wanted to increase local authority rates above levels set by Whitehall. Page 3

Uranium query

South African Electricity Supply Commission (Escom) said it had obtained enough enriched uranium to start up its first nuclear power station, despite a U.S. embargo on supplies of the fuel. Page 2

Reagan row

The Reagan Administration faced another row as it admitted national security adviser Richard Allen accepted $1,000 from a Japanese journalist for an interview with Nancy Reagan. Page 2

EEC milked

German dairy farmers are evidently taking about £310m in subsidies from the EEC, according to a German Federal Audit Auditor's report leaked in Brussels. Page 2

Game drawn

The 15th game of the World chess championship was agreed drawn. Anatoly Karpov leads 4-1 against Viktor Korchnoi. Picture, Page 15; Chess column, Page 7

Shuttle to return

U.S. space officials ordered the space shuttle Columbia to return to earth today.

Veto on Spain

EEC ministers hope to be able to persuade Spain to join the alliance when they meet in Brussels on December 10.

Sotelo to lead

Spain's ruling Centrist Party nominated Prime Minister Leopoldo Calvo Sotelo to take over the party leadership to end the party crisis.

Israel condemned

The UN General Assembly condemned Israel for its air attack on an Iraqi nuclear reactor in June and called on all states to stop supplying it with arms.

Pacific crossing

Three Americans and a Japanese completed the first manned trans-Pacific balloon crossing, landing north of San Francisco after a three-day trip from Japan.

Parachute

An American tried to fulfil an ambition by parachuting on to the 110-storey World Trade Centre, but he missed. He was arrested and charged.

Briefly . . .

Australia scored 159 for seven on the opening Test day against Pakistan.

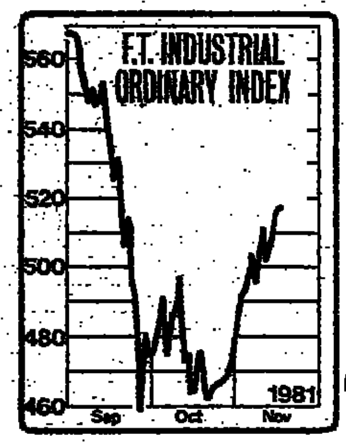
Jeane Kirkpatrick, U.S. ambassador to the UN, has been admitted to hospital.

An earthquake measuring 5.4 on the Richter scale struck eastern Romania.

BUSINESS

Easier pay-back terms for Laker

● **EXIMBANK**, the U.S. Government-backed bank, approved the 12-month rescheduling of $25.4m repayments by Laker Airways on a $300m debt for the purchase of eight aircraft. Page 3



● **EQUITIES** were about four points down at 3.0 pm, but the F.T. Index rallied to show a one-point gain, at 519.2, at the close. Page 21

● **GILTS** were checked by the justified expectation of new Government funding, but they rose 0.45 to 63.68. Page 22

● **WALL STREET**: Dow Jones index was 3.23 up, on 857.31, at 3.0 p.m. Page 18

● **STERLING** continued to rise, gaining 1.3c to reach $1.9075, its highest level since June. It also improved to DM 4.24 (from 4.195), FFr 10.6875 (10.575) and SwFr 3.345 (3.3375). Its Bank of England trade-weighted index rose from 89.4 to 90.7. Page 21

● **DOLLAR** eased in late trading, though its trade weighting rose from 106.7 to 107. It went up to DM 2.221 (from 2.2125) and Y 227.25 (227), but fell to SwFr 1.7525 (1.76). Page 21

● **GOLD** rose $1.5 to $412. In New York the Comex November close was 413.8. Page 21

● **THE £20M** share issue for money brokers Exco International was over-subscribed 62.5 times. Back Page

● **BP** petrol tanker drivers confirmed, by a 2-1 re-run vote, their acceptance of an 8.1 per cent pay deal Back Page. The company said it would develop at least four North Sea fields—once tax and gas-price policies were changed. Page 3

COMPANIES

● **THE NINE** Mario and Franco restaurants in London are being sold by Dalgety Spiller to Kennedy Brookes for £1.05m. Page 16

● **STOTHERT & PITT**, engineers, reported pre-tax losses for the year ended June up to £2.3m (£1.5m). Page 16

● **DE VERE HOTELS**, which runs the Connaught Rooms, reported pre-tax profits for the nine months ended September fell from £53,474 to £615,704. Page 16

● **SIEMENS** of W Germany, world's fifth largest electrical and electronics group, will cut world staff by up to 24,000 by the end of 1982. Back Page

● **VOLKSWAGEN** of W Germany will provide $195m to help its Argentine and Brazilian subsidiaries.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Treas 12½pc 99	£152¼	+ 1
Tr 11½pc 13-17	£81⅞	+ ⅜
Baker Ind	30	+ 7
Cmwealth	325	+ 8
all Home Strs	138	+ 6
Blowers	128	+ 18
non Brothers	250	+ 17
n (R.)	83	+ 6
bro Tst	144	+ 9
(C.) of Bristol	138	+ 5
leigh	98	+ 13
(Ch)	58	+ 16
son Matthey	288	+ 8
Securities	331	+ 5
d G Group	315	+ 10
hall (T.) (Lx)	37	+ 4
and Electrical	26	+ 6
Perry (H.)	76	+ 4
Sterling Inds	33	+ 4
Berjuntai Tin	218	+ 10
Pancontinental	156	+ 10

FALLS		
Commercial Union	129	− 5
De Vere Hotels	185	− 5
Dobson Park	77	− 6
Inter-City	16½	− 2
Kennedy Brookes	125	− 5
Martin (R. P.)	350	− 20
Mercantile House	470	− 15
Plessey	337	− 8
Racal Electronics	415	− 8
Thorn EMI	440	− 7
Anglo Indonesian	90	− 8
Gld Mns Kalgoorlie	380	− 10

Annual inflation rate rises to 11.7%, reversing lower trend

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

THE ANNUAL inflation rate moved up to 11.7 per cent last month, wiping out all the improvement since May, when it last stood at that level, according to official figures out yesterday.

The increase on a month before—retail prices had risen by 11.4 per cent in the 12 months to September—is only the second since the spring of 1980. It casts a gloomy shadow over prospects for any substantial easing of the inflation rate before the Budget.

The reversal of the downward trend of inflation is particularly unwelcome to the Government when it is conducting the public expenditure review for next year (1982-83) based on the assumption that inflation will be 7 per cent.

Yesterday's figures from the Department of Employment show that the Retail Price Index for October rose 0.9 per cent compared with the September figure to 303.7 (January 1974=100). October's annual rate of increase, at 11.7 per cent, compares with 10.9 per cent in July, the lowest point in the present cycle.

The main general pressure on the inflation rate has come from the increase in interest rates and the fall in the value of sterling in the early part of the year.

These factors are behind the more pessimistic view of the prospects for inflation taken by almost all independent forecasters. They will be reflected in the Treasury's forecast expected early next month.

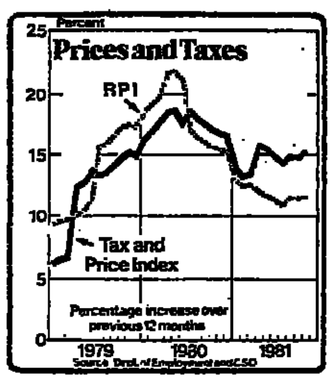
The Government will pin its hopes on a further fall of U.S. interest rates and a continued firmness of sterling.

It will be anxious to see whether companies need to increase prices to restore their squeezed profit margins, or whether a slight improvement in economic activity will increase profits through better productivity.

It is reckoned that a 10 per cent fall in the exchange rate would increase the RPI by 2 per cent because of the higher sterling price of imports.

It seems certain that the last Budget forecast of a single-figure inflation rate this year cannot be achieved.

Last month's RPI was given a special upward push by the supplementary rate demands from many local authorities, which accounted for about a quarter of the 0.9 per cent increase.



Increases in the price of food, tobacco and alcoholic drinks were the other main influences. Higher oil and gas prices have also started to work through into the index.

In the next month, the effect of energy price rises and the increase in petrol and telephone

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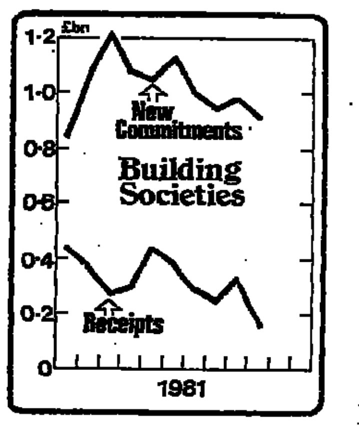


Building society receipts fall

BY MICHAEL CASSELL

BUILDING SOCIETY receipts fell last month to their lowest point for two years and have failed to improve in the wake of big interest rate increases introduced two weeks ago. At the same time, the society face dwindling demand for mortgages.

Figures published yesterday by the Building Societie Association underlined the strong competitive pressures which the societies have encountered.

In the last three weeks of October net receipts were almost zero. Mr Richard Weir, secretary general of the association, said yesterday that there were few signs of recovery.

Receipts for the month as a whole fell to only £154m against £334m in the previous month and £535m a year earlier. The lowest inflow figure since November 1979 reflected the rapid rise in competing interest rates and, in particular, the increase in the limit for individual holdings of index-linked Natonal Savings Certificates.

Continued on Back Page

£ in New York

—	Nov. 12	Previous
Spot	$1.9000-9020	$1.8630-8650
1 month	0.25-0.18 dis	0.32-0.15 dis
3 months	0.60-0.50 dis	0.40-0.30 dis
12 months	0.85-0.65 dis	0.40-0.20 dis

Sterling buoyant as interest rates continue to fall

BY WILLIAM HALL, BANKING CORRESPONDENT

AMERICAN and European interest rates continued to fall yesterday, underpinning the growing confidence among investors that world interest rates are heading downwards.

In the U.S. the federal funds rate fell ⅞ of a percentage point, taking it below 13 per cent. In Europe the three-month Eurodollar rate fell ½ a percentage point to 13⅛ per cent, its lowest for more than a year.

On the foreign exchange markets the pound had its best day for more than a month. Its trade-weighted index, measured by the Bank of England, rose 1.3 to 90.7 and it closed 1.3 cents higher against the dollar at $1.9080 — its highest level since the end of June.

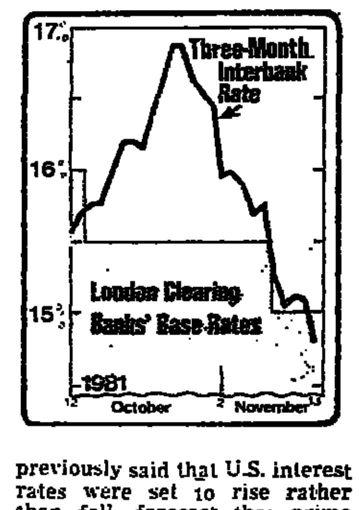
U.S. INDUSTRIAL production fell 1.5 per cent in October, the latest indication of the speed with which the U.S. economy is slumping. It was the sharpest monthly fall since June 1980, when production fell 1.7 per cent in the wake of President Carter's credit controls. Back Page

UK interest rates continued to decline despite one of the biggest shortages in the money markets for several months, the three-month interbank rate shedding ½ of a point to 14⅝, a fall of one percentage point on the week.

The decline in UK interest rates and the continued buoyancy of sterling gave a late boost to the stock market, which has moved ahead strongly over the past fortnight. The FT industrial ordinary share index closed at 519.2, up 1.0.

The key influence on the UK financial markets remains the sharp drop in U.S. interest rates. The extent of the decline was underlined by the sharp drop in the Treasury bill tender rate yesterday which fell more than a percentage point to 13.839 per cent.

Dr Henry Kaufman, a leading American economist, who has



previously said that U.S. interest rates were set to rise rather than fall, forecast that prime rates could fall by another 1½ percentage points to 15 per cent and that the Federal Reserve would lower its discount rate from 13 per cent to 12 or even 11 per cent.

This added to the confident mood in the UK money markets. There was speculation that the clearing banks would follow this week's ½ point cut in bank base rates with another ½ point reduction.

But the scope for further cuts is limited by developments in the U.S., and the growing shortages in the money markets which are rapidly reducing the banks' liquidity.

Significantly the seven-day interbank rate—a key influence on base rates—rose ¼ percentage point yesterday. Over the past week, the rate is unchanged, compared with the 1 percentage point decline in period money market rates.

The authorities took advantage of the buoyant mood in the financial markets yesterday and launched a short tap stock — £1bn of 14 per cent Exchequer 1986 with £40 payable at tender and the balance on January 11 1982. The minimum tender price is £95.75 per cent and the stock offers a gross redemption yield of 15.27 per cent.

Money markets, Page 21

Week in the markets, Page 4

Foot breaks with Benn to relief of Labour MPs

BY ELINOR GOODMAN, POLITICAL CORRESPONDENT

MR MICHAEL FOOT yesterday finally withdrew his support from Mr Tony Benn. In a move which came as a relief to most Labour MPs, the party leader issued a lengthy statement saying Mr Benn had failed to respond adequately to his overtures and that, in the circumstances, he would not be welcome in the shadow Cabinet.

Ending the prevarication of the previous few days, he accused Mr Benn of concocting "complete fictions" and implied that he did not believe Mr Benn really wanted Labour to win the next election.

Mr Foot made his statement after Mr Benn had, for the third time in two days, failed to give him a firm undertaking to stand by the doctrine of shadow Cabinet collective responsibility. Mr Benn offered to see the Labour leader over the weekend to discuss the conditions he would accept on his shadow Cabinet membership. But Mr Foot said that, in view of Mr Benn's attitude, such a meeting would serve no purpose.

Last night Mr Benn seemed to have accepted Mr Foot's decision, and said he would devote himself to getting Labour re-elected.

He repeatedly stressed the need for party unity but, sowing the seeds of trouble to come, emphasised that he still saw unity in terms of uniting behind party conference policy—rather than behind the shadow Cabinet.

Most Labour MPs were astonished when Mr Foot extended his original deadline to Mr Benn on Thursday night, and many despaired of his leadership. Yesterday's move means Mr Foot has had to abandon his central strategy for reconciling the far-left with the mainstream of the party, and so ending the damaging feuding in the party.

It could just give Mr Benn grounds for forcing another divisive deputy leadership contest next year. But during the past few days, even some of his closest supporters have been critical of his tactics.

Mr Foot's hope must be that Mr Benn has isolated himself by refusing to respond to his repeated peace overtures, and that some of his supporters among the 83 per cent of local parties which voted for him as deputy leader will see that he has brought his fate on himself.

Mr Benn has already put himself forward for next week's shadow Cabinet elections. Should he get elected, it would put Mr Foot in an impossible position. But without the Labour leader's support, it is very unlikely that he will.

Continued on Back Page

Small business aid for jobless

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

AN EXPERIMENTAL scheme to encourage unemployed people to set up small businesses will be launched in January by the Government and the Manpower Services Commission.

A £2m budget has been allocated for the scheme, which is the latest of a series of measures to help small businesses.

Ministers have been increasingly concerned that MSC help for the unemployed is not being directed sufficiently towards setting up permanent businesses and providing industrial experience.

They also want to encourage jobless people to set up bona-fide businesses instead of going into the "black economy" where they both earn a living and receive unemployment benefit.

Grants will be provided to offset the loss of benefit for an unemployed person who sets up in business on his own account. Details were not announced yesterday but the grants are likely to be slightly above the £35 a week level of benefits received by a married man with no children.

Groups of up to 10 people setting up in partnership are each likely to receive these "enterprise grants" for a year from MSC Job Centres.

Although details are still being worked out it is estimated 1,500 unemployed people might receive this aid in the experimental period.

The scheme is being limited to three areas which have been chosen to give a wide spread of experience. Coventry and the Medway towns have been selected because they are not designated assisted areas but have high unemployment, especially among skilled and semi-skilled people. The third area, north-east Lancashire, receives only limited regional aid but has suffered seriously from industrial decline.

Announcing the experiment in the Commons yesterday Mr John MacGregor, Industry Minister with responsibility for small businesses, said the loss of benefit was proving to be both a real and psychological barrier to the unemployed.

"We recognise that many unemployed people may want to set up in business but may find it very difficult to do so because all their resources would be taken up by the new business. They would have little to live on."

The experiment will be funded from the MSC's community enterprise programme, which has spare cash this year in its £87m budget because a community business venture scheme has been delayed.

MPs urge more aid for small business, Page 3

CONTENTS

For latest Share Index phone 01-246 8026

OVERSEAS NEWS

S. Africa obtains enriched uranium

BY QUENTIN PEEL

THE South African Electricity Supply Commission (Escom) confirmed yesterday that it had obtained enough enriched uranium to start up its first nuclear power station on schedule—in spite of a U.S. embargo on supplies of the fuel.

The French-built reactor, at Koeberg outside Cape Town, is due to come on stream by early 1983.

Escom refused to identify the source of the fuel, but denied that it had come from France, the U.S., or South Africa itself.

Acquisition of the low-enriched uranium—not weapons-grade fuel — represents a major breakthrough for South Africa, which had faced the possibility of having to mothball the Koeberg plant.

Although the South African Government has a contract with the U.S. Department of Energy for fuel supplies, Washington placed an embargo on any exports in 1975, until South Africa signed the Nuclear Non-Proliferation Treaty.

The fuel will now be processed into fuel assemblies by Framatome—the French lead contractor for the power station—and the French Government has promised that the contract will be honoured.

Although France denies that it has supplied South Africa with enrichment for Koeberg, the fuel could have come from the Eurodif gas diffusion factory in the Rhone Valley.

This factory was built as a five-nation venture, using French technology, but with each country owning a share of the factory and the same share of its output.

The original shares were France, 42 per cent; Italy, 25 per cent; Spain, 11.11 per cent; Belgium, 11.11 per cent; and Iran 10.78 per cent.

An alternative possible source mentioned by U.S. officials is China, although this would be politically highly unlikely.

Kevin Rafferty in Dacca reports on the grim background to a colourful Presidential campaign

Ghosts from the past dominate Bangladesh poll

CROWDS RUNNING into hundreds of thousands have been gathering for the final rallies before Sunday's election in Bangladesh to choose a President as successor to the assassinated Ziaur Rahman.

Money has been splashed on poster, bunting and other campaign extravagences, while the country totters to the brink of bankruptcy, with foreign exchange reserves down to a mere US$100m—barely sufficient for two weeks of imports. Some estimates put total election spending at Taka 1.5-2.0bn (about $100m).

Posters litter streets, houses and shops. Loudspeakers bray out their messages from morning to night, many of them carried and blared by one man bands sitting and shouting from the back of scooter rickshaws.

Candidates are recognsed by their party symbols as well as by their faces: a country boat for one party, a sheaf of paddy for another, a ladder, a lantern, an umbrella, a flaming torch . . . with more than 30 hopeful candidates, ingenuity has been well exercised in seeking symbols with a message for a country where only 22 per cent of the 95m people can read or write.

But in reality the contest is a struggle between two men, Justice Abdus Sattar, the acting President, an ailing 76-year old suffering from diabetes and a weak heart condition who is carrying the banner of the ruling Bagladesh Nationalist Party (BNP) and Dr Kamal Hossain, an Oxford educated lawyer in his forties, a former Foreign Minister and candidate for the Awami League.

In Dacca, the capital, the Awami League ha a strong hold. *Its symbol, the country boat,* which is so common on the rivers and waterways that criss-cross Bangladesh, is strung across hundreds of main streets. But in the past few days, the sheaf of paddy of the acting President's BNP has been showing more strongly.

All the colour would imply this was a time of jubilation, not *one of the most difficult times* Bangladesh has seen in its short and troubled history.

In many ways the Presidential candidates are fighting a proxy fight. Dead leaders have been invoked. The Awami League posters show Sheikh Mujibar Rahman, the father of Bangladesh who was murdered by army officers in 19755, alongside Dr Hossain. Justic Sattar's posters show him with former

The two contenders in tomorrow's President election: Dr Kamal Hossain (left) and Justice Abdus Sattar, fighting what is in many ways a proxy battle

President Ziaur Rahman.

As the election has come closer, so tensions have mounted between the vying parties. Long-standing grudges and grievances have brought increasing bitterness into the campaigns.

The President of the Awami League is Sheikh Mujib's daughter, Sheikh Hasina, the only member of the family to survive the murder. She vows *to seek vengeance for her* father's death. The acting President has accused the Awami League of bringing looting, killing and anarchy to the country when it was in power between 1971 and 1975. Rememberance of the past has tended to prevent a clear discussion of the future.

Almost everyone expects the acting President to win, even without the rigging which the Awami League alleges has already started, and even without the considerable backing of the state. At Thursday's rally *in the capital, Justice Sattar had* the benefit of a huge fleet of lorries, many of them equipped with loudspeakers, to bring his supporters in from outlying districts.

A number of influential Bangladeshis think the Awami League might be happy with a good second place. It recognises *that many powerful figures* would not like to see it back in power. It also appreciates that victory would burden it with responsibility for economic ills that no one seems able to resolve. But if it can test and strengthen the party machinery, and stay in the public eye, then it may be in a good position for the Parliamentary *elections due by 1983.*

But the real questions will only come after the election. Politically, relations between the rulers and the army still have to be sorted out. Lieutenant General H. M. Ershad, the army chief, has called for a special place in the constitution for the armed forces. But Justice Sattar implicitly rebuked the General when he said in a leading Bangladeshi newspaper that the job of the army was "to protect the integrity and security of the country and to render help to the constitutionally elected Government."

Economically, Bangladesh faces a crisis. Suspension of the International Monetary Fund three years SDRS 800m ($928m) loan before the end of the first year has led to a halt to all except the most essential imports. The Fund is unhappy with the heavy losses of the public sector corporations.

Bangladesh foreign exchange reserves are at an all-time low. If imports are reduced it may reduce the trade deficit, which is running at about $1.7bn with exports only a third the size of imports, but it would throw the Government deep into the red on its budget, as import taxes form almost half of revenues.

Some economists think acceptance of a budget deficit would not have the dire effects that others have forecast. Food production is much better, and food stocks are more than 1.4m tons. That is what concerns the 95 million people in a country that is practically the world's poorest. The problems of inflation concern only the 15 per cent who make up the urban elite.

Farmers milk EEC of £310m, MEPs say

BY LARRY KLINGER IN BRUSSELS

FRAUDULENT practices by West German dairy farmers could be costing the European Community more than £300m, the Socialist group in the European Parliament, claimed yesterday.

The Socialist MEPs said West German farmers have been killing newly purchased cheap cattle after transferring their thriving dairy herds to neighbours. It is alleged they then collect a premium of £550 per slaughtered cow, while continuing to accept EEC payments for refraining from milk production for five years.

At the end of the five years, the dairy herd is returned and the neighbour repeats the fraud: an abuse of EEC rules which the Socialists maintain could cost the Community nearly £310m in West Germany alone.

The EEC, in an attempt to cut output in order to trim the Community's costly subsidised surplus of dairy products, offers producers a slaughter premium to reduce herds and subsequent payments to stay out of milk production for a period.

The Socialists, quoting from a report attributed to the West German Federal Court of Auditors, which they claim to have obtained ahead of publication, say that the West German overall dairy herd has continued to grow despite the slaughtering of 610,000 cows between 1977 and last March.

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares %
Abbey National	9.50	9.75	11.00	11.76 6 yrs. Sixty plus, 10.75 1 yr. high opt., 10.25-11.75 1-5 yrs. open bondshare
Aid to Thrift	10.50	10.75	—	—
Alliance	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 yrs., 10.25 2 yrs., 10.00 1 yr.
Anglia	9.50	9.75	11.00	12.00 6 yrs., 10.75 1 mth. not. int. loss
Bradford and Bingley	9.25	9.75	11.00	10.75 1 mth. not. deposit
Bridgwater	9.50	9.75	11.25	11.75 5 yrs., 10.85 2½ yrs.
Bristol Economic	9.75	10.50	11.00	9.75 3 mths.' not. and 10.75 on balance of £10,000 and over. Escalator shs. 10.25-11.75 (1-5 y)
Britannia	9.50	9.75	11.00	11.25 4 yrs., 11.00 2 months' notice
Burnley	9.50	9.75	11.00	11.75 5 yrs., 10.75 3 mths.' notice
Cardiff	9.50	10.50	11.50	—
Catholic	9.50	10.00	11.00	11.25 Extra share 3 months' notice
Chelsea	9.50	9.75	11.00	11.75 5 yrs., 11.15 1 yr., 10.75 3 mths.
Cheltenham and Gloucester	9.50	9.75	11.00	—
Citizens Regency	—	10.00	11.25	12.00 5 yrs., 11.05 3 mths.' not. a/c, 11.30 6 mths,' not. a/c
City of London (The)	9.75	10.00	11.25	11.25 Capital City shs. 4 mths.' notice
Coventry Economic	9.50	9.75	11.00	11.25 4 yrs., 11.00 3 yrs., 10.75 3 mths.
Coventry Provident	9.50	9.75	11.00	10.75 E.I. a/c £500 min. 11.00 £5,000+
Derbyshire	9.50	9.75	11.00	10.25-10.85 3 months' notice
Ealing and Acton	9.50	10.25	—	10.90 2 years, £2,000 minimum
Gateway	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 yrs.
Gateway	—	10.75	—	— Plus a/c £500 min. Int. ½-yearly
Greenwich	—	10.00	11.25	12.00 5 yrs., 11.25 3 months' notice
Guardian	9.50	10.00	—	11.75 6 mth., 11.25 3 mth., £1,000 min.
Halifax	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 yrs.
Heart of England	9.50	9.75	11.00	— 3 mths.' notice 10.75, 5 yrs. 11.75
Hearts of Oak and Enfield	9.50	10.00	11.50	11.25 4 yrs., 11.00 3 yrs., 10.75 2 yrs.
Hendon	10.00	10.50	—	11.50 6 mths., 11.25 3 mths.
Huddersfield and Bradford	9.50	9.75	11.00	11.25 5 yrs., 11.25 4 yrs., 10.75 3 yrs., 10.25 2 yrs.
Lambeth	9.50	10.00	11.75	12.00 5 yrs., 11.75 6 months' notice
Leamington Spa	9.60	9.85	13.20	11.35 1 year
Leeds Permanent	9.50	9.75	11.00	10.50 E.I. a/c £500 min., 10.75 £5,000+
Leicester	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 mths.
Liverpool	9.50	9.75	11.05	11.75 5 yrs., 10.80 1 mth. int. penalty
London Grosvenor	9.50	10.25	12.00	10.75 3 months' notice
Mornington	10.20	10.70	—	—
National Counties	9.75	10.05	11.05	10.75 35 days' not. min. dep. £500, 6 mth. 11.15 min. dep. £500, 12.25 at 9 mths.' not. min. dep. £2,000
Nationwide	9.50	9.75	11.00	11.75 5 yrs., £500 min. 90 days' not. Bonus a/c 10.50 £2,500 min., 10.75 £10,000 + 28 days' not.
Newcastle	9.50	9.75	11.00	11.75 4 yrs., 10.75 2 mths.' not. or on demand 28 days' int. penalty
New Cross	10.50	10.75	—	10.75-11.50 on share accs., depending on min. balance over 6 mths.
Northern Rock	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 yrs.
Norwich	9.50	9.75	11.25	10.75 3 yrs., 10.50 2 yrs.
Paddington	8.00	9.00	10.50	10.00 Loss 1 month int. on sums wdn.
Peckham Mutual	8.50	9.50	—	10.00 2 y, 10.50 3 y, 11.00 4 y, 9.75 Bns.
Portman	9.50	9.75	11.25	11.75 5 yrs., 11.00 6 mth. not. 10.75 3 mth. not.
Portsmouth	9.85	10.05	11.55	12.10 (5 yrs.) to 11.50 (6 mths.)
Property Owners	9.75	10.25	11.75	11.75 4 yrs., 11.75 6 mth., 11.05 3 mth.
Provincial	9.50	9.75	11.00	12.00 4 yrs., 11.25 3 yrs., 10.75 2 mths.
Skipton	9.50	9.75	11.00	10.85-11.00 28 days' int. penalty
Sussex County	9.75	10.00	12.25	11.00 instant withdrawal option
Sussex Mutual	9.75	10.25	11.50	10.50-11.75 all with special options
Town and Country	9.50	9.75	11.00	11.75 5 yrs., 11.25 4 yrs., 10.75 3 yrs., 11.00 imm. wdl. 28 dys.' int. loss
Walthamstow	‡9.50	10.00	11.00	11.00 6 mths. not. min. £500, 10.75 3 mths.' not.
Wessex	9.75	10.75	—	—
Woolwich	9.50	9.75	11.00	11.75 3 yrs., £500 min. 90 dys.' not. on amt. wdn., 10.75 £500 3 mth. not.

* Rates normally variable in line with changes in ordinary share rates.

‡ Rates applicable as from December 1 1981.

All these rates are after basic rate tax liability has been settled on behalf of the investor.

Allen took $1,000 for interview

By David Buchan in Washington

ANOTHER political squall hit the Reagan Administration yesterday with the admission by the White House that Mr Richard Allen, the National Security Adviser, had accepted $1,000 from a Japanese journalist for an interview with Nancy Reagan last spring.

Mr Larry Speakes, the Deputy Press Secretary, said an FBI investigation had concluded that no U.S. law had been broken and the money would be paid into the Federal Treasury.

The White House statement on Mr Allen came only a day after Mr David Stockman, the Budget Director, was forced into a public apology for an indiscreet press interview and given a "second chance" by President Reagan. It was prompted by Tokyo press reports that Japanese police had helped the FBI investigating charges that an unnamed Reagan aide has taken bribes in Japan.

Mr Speakes said Mr Allen had been told last January that the magazine Shufunotomo (Housewife's Friend) intended to pay an honorarium for a Nancy Reagan interview.

"Knowing this to be customary in Japan and not wishing to embarrass the Japanese journalist or the First Lady," Mr Allen took the money and put it in a safe until he could work out the proper way to deal with it, Mr Speakes said. However, the money lay forgotten until mid-September when the safe was opened.

Last year, the Press alleged *that Mr Allen had business* dealings with the Japanese while still in the Nixon Administration. But the charges evaporated later when Mr Allen showed he was a private citizen when he dealt with Japanese companies.

Canada shelves plan to tighten investment rule

By Jim Rusk in Ottawa

THE Canadian Government, under heavy criticism from the U.S. because of its nationalistic energy policies, has decided to shelve plans to toughen rules restricting foreign investment.

The retreat became evident on Thursday night in the budget speech, when Allan MacEachen, the Finance Minister, outlined the Government's economic development strategy for the 1980s.

The new strategy is a pale reflection of the highly interventionist nationalistic model which Mr Herb Gray, the Industry Minister, has been touting for over a year.

The Government has postponed indefinitely Mr Gray's plans for changes to foreign investment rules which would have resulted in the monitoring of all foreign-controlled companies in Canada and made it more difficult for foreigners to take over Canadian firms.

As things stand, new foreign direct investment is subject to it being found of significant benefit to Canada.

The only change to the rules will be a streamlining of the processing of applications by foreign companies wanting to set up shop in Canada.

In his budget for 1982-83, the Finance Minister continued the existing emphasis on fiscal conservatism and on the fight against inflation that he started a year ago. The budgetary deficit will be reduced to C$10.5bn (about £4.7bn) in 1982-83 from a budgeted C$13.3bn in fiscal 1981-82.

Polish payments crisis deepens as industrial output falls

BY CHRISTOPHER BOBINSKI IN WARSAW

THE POLISH Government's economic commission has further downgraded this year's estimate of Polish coal production by 2m tons to 162m tons, and reported that industrial production declined by an unprecedented 15 per cent in October.

Farmers' reluctance to sell grain and other foodstuffs, because of the lack of goods to buy with their higher incomes, has also led to a 29 per cent decline in grain deliveries to the state, despite the 2m ton rise in Poland's grain harvest this year, the commission added.

The new figures place more pressure on the success of the "tripartite meeting" next week between party leaders, Solidarity and the church.

Lower coal output, exacerbated by strikes in some Silesian mines, is a major factor in lower industrial production and many enterprises now face closure because of the lack of imported and home produced energy, raw materials and components.

The commission also expressed disquiet at the further deterioration in Poland's balance of payments situation.

This has already caused Poland to fall into serious arrears in payment of interest due this year to Western bankers who are due to continue negotiations on the rescheduling of Poland's 1981 bank debt in Warsaw next week.

At the same time, officials representing Poland's 15 major Western government creditors are also due to meet in Paris next week to start preliminary talks on the re-scheduling of Poland's 1982 debt to Western government credit institutions.

Agreement on re-scheduling the $2.6bn owed to Western government in 1981 was agreed in Paris six months ago.

Poland is expected to give the latest balance of payments and trade figures to both sets of creditors next week, and the figures promise to show a disturbing decline in Poland's hard currency income.

Solidarity leaders' success in ending the 27-day strike in Zelenia Gora province and the 17-day stoppage at the Sosnowiec colliery in Silesia have paved the way for further government-union negotiations next week.

The most important meeting will be the second "tripartite summit" meeting scheduled for early next week btween Gen Wojciech Jaruzelski, the State and party leader, Mr Lech Walesa the Solidarity leader and Primate Jozef Glemp, who was expected back from Rome yesterday.

New Community Act call for closer ties

BY DAVID TONGE AND JOHN WYLES

EEC Foreign Ministers will on Tuesday take up a new initiative by West Germany and Italy to breathe fresh life into the flagging body of European union.

Italy and West Germany are proposing that the 10 members of the Community commit themselves to a new "European Act." A draft of this was given to members of the EEC on Thursday night.

It is designed to reinforce the political ties built up since the EEC was formed and to counter growing resentment at the EEC's quarrels over fish, steel, agriculture, and budget contributions.

The West Germans are putting their weight behind the Act as they fear the forthcoming European Council of heads of government in London may fail to resolve the deep divisions on reform of the EEC's budget and agricultural policies.

Herr Hans Dietrich Genscher, the West German Foreign Minister, will seek the backing of the European Parliament for the Act with a speech to the body on Thursday.

The draft Act has been widely discussed with other members of the EEC since Herr Genscher launched the more ambitious of a new European treaty in January. Problems of ratifying any treaty mean that the West Germans are now proposing an Act.

They have been joined by the Italians who are pressing for greater steps towards economic integration. The West German-Italian *initiative is to be discussed* by the European heads of Government in London but it is thought too early for the European Council to fully endorse it.

More IMF cash likely for Zambia

By Michael Holman in Lusaka

ZAMBIA'S acute foreign exchange shortage should be eased next week when the International Monetary Fund is expected to approve facilities totalling SDR 220m (£136.2m), according to local bankers.

The IMF Board meeting on November 18 is likely to release two tranches of SDR 90m under the SDR 800m three-year programme agreed in May this year.

The first tranche of SDR 120m was drawn in the same month, but Zambia's difficulties in meeting programme conditions delayed the second instalment due in August.

Bankers in Lusaka believe *that this instalment,* together with the tranche originally scheduled for November, will come through, following the recent visit of an IMF team to Lusaka.

UK envoy warns Japan on Gatt

BY RICHARD C. HANSON IN TOKYO

"JAPANESE behaviour in international trade could be undermining the Gatt (General Agreement on Tariffs and Trade) system," Sir Hugh Cortazzi, British Ambassador to Japan, asserted in a strongly-worded warning to Japanese businessmen yesterday.

Sir Hugh's speech, made in Osaka, appears to be the sharpest public criticism of Japan by a resident European envoy on the trade imbalance problem since the current row between Europe and Japan began.

"Japanese behaviour . . . has raised doubts in the minds of many people in Western Europe and North America as to whether the present (Gatt) system can be maintained without modification to deal with the problems caused by a flood of Japanese exports not compensated for by any significant increase in Japanese imports," the ambassador said.

Sir Hugh's remarks are not *so remarkable for the points* made, all of which have been aired in various forums in recent months. The tone of the speech however, which Sir Hugh emphasised was well thought out, indicates the level of frustration now being reached over the trade issue.

The speech was carefully translated into Japanese to make sure the ambassador's intent was understood by his audience—the Osaka Foreign Trade Institute.

"There is a strong feeling that European countries should do what Japan did in the 1950s and 1960s and protect their industries against imports," he said.

Sir Hugh dismissed as "not convincing" the Japanese argument that it imports less manufactured goods than other advanced countries because it is more dependent on imports of raw materials and energy.

Also, the argument that Japan has fewer import quota items than others is "frankly specious," he said. What matters is not the numbers but the "nature and reasons" for them.

Sir Hugh strongly warned Japan against thinking that, whether Japan is right or wrong, the "Europeans are divided and by adroit diplomacy on the principle of divide and rule, can be kept apart."

"It would be a great mistake (for Japan) to think that European *concerns can be met by* a few gestures and the despatch of a few more missions," he went on.

Sir Hugh quite significantly called into question the effectiveness of three ideas much touted by both sides on how to reduce the current level of friction over trade imbalances.

These are, namely that Japan increases its capital investment in other developed nations, exchange technology, and cooperate in third markets with Europe.

Sir Hugh Cortazzi

Sir Hugh suggested strongly that Japanese efforts in all three areas have been lacking. *If these proposals* "end in an endless discussion" they "won't diffuse the frictions. Indeed, they might increase them," he said.

● Mr Rokusuke Tanaka, Minister of International Trade and Industry, said yesterday that the Japanese Government should adopt a set of measures to curtail the nation's trade surplus as soon as possible, AP reports from Tokyo.

Exxon mo[ve] 'a blow to Libyan economy'

By Paul Betts in New York

THE decision by Exxon world's largest oil compa[ny] pull out of Libya is cert[ain to] put pressure on other [com]panies to reconsider their [posi]tion, although there [is no] indication yet that the[y are] planning to withdraw.

The move is a further [blow] to the Libyan economy [which] has begun to show sig[ns of] strain caused by the sharp [fall] in its oil exports and general weakness of demand.

Many members of the Congress yesterday welc[omed] the Exxon decision, but other major American oil [com]panies including Conoco, [Mara]thon Oil, Mobil, Amerada and Occidental Petro[leum] which has only recent[ly] negotiated an agreement [with] the Libyans, said they [antici]pated no change in poli[cy].

Libya's oil revenues in [1980] were estimated to hav[e ex]ceeded $22bn and cu[rrent] reserve levels are though[t to] be sufficient to cover well [over] a year's imports. But [in] contrast, have reported [over the] past two months that Liby[a has] delayed more than usu[al in] meeting foreign exchang[e pay]ments.

In a short statement, [Exxon] said: "We can confirm th[at we] have relinquished concess[ion] interests in Libya by not[ifying] the Libyan Governmen[t on] November 4." The co[mpany] also said it wanted the [with]drawal to be carried ou[t in] an amicable and [orderly] manner."

Exxon declined to sa[y when] it had decided to pul[l out] of the North African co[untry] where it had a 49 per [cent] interest in a number of [oil] producing about 135,000 t[onnes] of oil a day which it op[erated] in partnership with the I[Libyan] Government.

The company did not ela[borate] on what its financial lia[bility] would be as a result of the [with]drawal nor whether it [would] receive any compensation [from] the Libyans.

Oil industry sources [specu]lated that the main reas[on was] economic. Libya has [been] charging its customers [more] than other Arab oil prod[ucing] countries for its crude. [In the] current glut in the int[erna]tional market, Libyan oil [sales] have been uncompetitive, [lead]ing many international oil [com]panies to reconsider thei[r lift]ings of Libyan crude.

The Exxon decision [to] pull out completely took t[he in]dustry by surprise as mo[st] companies, while reducing liftings from Libya, seem[ed con]tent in maintaining a pre[sence] in the Maghreb country in [case] the market firms up agai[n].

This led to speculation [that] Exxon's decision was als[o the] result of other factors in[clud]ing problems with the L[ibyan] Government and pressure [from] Capitol Hill for a boyco[tt of] Libyan crude, which curr[ently] accounts for about 5 per ce[nt of] American oil imports.

For Libya, the Exxon [deci]sion could have a se[vere] impact on the cou[ntry's] economy which relies dominantly on its oil reso[urces] although it is far from [clear] whether other oil concerns [will] follow Exxon's lead.

Largely as a result of higher price differential Libyan crude, Libya has [seen] its crude oil production from around 1.7m barre[ls a] day (b/d) at the beginnin[g of] the year to 700,000 b/d month.

Even though Libya has r[ecent]ly efforts to price its oil [more] competitively, it still sells [at a] premium, albeit lower tha[n be]fore the latest Opec meetin[g in] Geneva. At the meeting at [the] end of last month Libya it would charge $37.50 a b[arrel] for its high grade crude [com]*pared* to the new S[audi] Arabian benchmark price [of] $34 a barrel. Earlier this y[ear] Libya had been charging ne[arly] $40 a barrel when Saudi [Arabia] was selling at $32 a barrel.

Ford's union plan pays off

By Ian Hargreaves in New Y[ork]

FORD MOTOR'S efforts [to] bludgeon its U.S. workf[orce] into pay and contract con[ces]sions by threatening to [switch] components from foreign [sup]pliers if they refuse has bo[rne] fruit in negotiations ove[r a] $1bn transmission plant.

Ford announced that [it] would re-equip two plants [in] the Detroit area to prod[uce] transmissions for front-wh[eel] drive cars beyond 1986, hav[ing] previously warned work[ers] that it had received an att[rac]tive bid for the work fr[om] Toyo Kogyo, the Japanese c[om]pany in which Ford has a [25] per cent stake.

In return for the investme[nt] workers at the two plants [have] agreed to a wide-ranging ser[ies] of work rule changes, cover[ing] such things as time off and use of outside contractors. [The] 6,400 workers at the [two] plants voted overwhelmin[gly] to accept the changes.

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K NEWS

...ies may ...olt over ...e control ...rendums

Riddell, Political Editor

council elections are ...rded by the Department of the Environment as alternative to referen... a means of limiting ...ority rate increases.
...ew is expressed after ...s by about 20 Tory ...ers in a Common vote ...day evening and the ... a much larger revolt ...erendum proposals are ...ced.
...chael Heseltine, the ...ent Secretary, has ...is willing to explore ...thods and that he ... local accountability ...om central direction. ...proposals were origin... ...ssed in the summer, ...mpathetic to the idea ...elections—but the use ...ndums was pressed on ... Cabinet committee. ...tio alternative would ...t all councillors would ...ubmit to a fresh elec... ...ey sought to increase ...thority rates above ...ecified by Whitehall. ...nisters believe, how... ...at there are constitu... ...bjections to the idea ...tion campaigns can, or ... be confined to single...
...her alternatives are: ...nove the right of coun... ...ry supplementary rates, ...nding above a ceiling ... by borrowing repay... ... the beginning of the ...ncial year.
...ve centrally fixed tar... ...proved by Parliament ...e lines of the Scottish ...
...rain constraint is that ...on chosen should fulfil ...ctive of holding down ...enditure and should be ...tion in time for the ...ing round.
...sed to fulfil the spend... ...tives was stressed yes... ...y Mr Leon Brittan, the ...retary of the Treasury. ...id that the last thing ...ustry needed when it ...t of recession was "to ...ened with higher rate ... or higher taxes or a ...ost for its borrowing. If ...ending socialist local ...ies had their way, ...would have to face ...ll of these."
...ritan maintained that, ...ith rising rates, "the ...ent could not stand ... however much room ...ay be for discussion and ...ideration of the precise ...of tackling the prob...
...mphasis is on firmness ...ving the aim of holding ...pending and rates and ...y of methods. Mr ... Edwards, the Welsh ...y, stressed that Minis... ...re still talking about ...
...ave undertaken to con... ...l the suggestions and ...s that are made before ...deciding the exact ...s to make control ..." he said.
...statement represents a ...able retreat. It is only ...since the Government ...d a lengthy Bill that ...an "exact mechanism" ...endum to achieve this ...s was not presented as ...ion. The Government ...es the embarrassment ...drawing the Bill and ...ling an alternative or ...ing major amendments ...overnment hopes to win ...port all its critics by ...ing whether there are ...le alternatives to ...ums and by promising ...measures may only be ...ry, possibly renewable ...or triennially.

Eximbank reschedules Laker debt

BY ALAN FRIEDMAN

SIR FREDDIE LAKER has scored a key victory in his battle to reschedule $300m (about £160m) of outstanding debt used to buy five McDonnell Douglas DC-10s and three A-300 airbuses.

The board of Eximbank, the U.S. government-backed bank which lent the DC-10 loan syndicate, yesterday approved the 12-month rescheduling of $25.4m in principal repayments.

This principal includes two instalments totalling $12.2m for the Private Export Funding Corporation and a further $13.2m owed to Morgan Guaranty, the McDonnell Douglas Finance Corporation, Marine Midland Bank, International Westminster Bank and the Canadian Export Development Corporation.

It is expected that the 13-bank syndicate led by Midland Bank International will now announce *its agreement to reschedule $13.7m in principal owed by Laker Airways.* Midland led the syndicate which provided Laker with $131m to buy three Airbuses.

The third part of the rescheduling package is likely to include agreement by the Bank of Tokyo, Mitsui Trading and *other Japanese institutions to reschedule $1.7m of repayments due in the next 12 months.*

Although Midland Bank last night was still awaiting official agreement on rescheduling from five of the 13 members of its syndicate, Eximbank said its board would not have acted if there had been any doubt about the Midland approval.

In total, Laker Airways will be able to forgo the repayment of $40.8m of principal, with Eximbank repayments set to begin again next September.

A key condition will require Laker to continue paying *interest on the principal during the period to next September.* Interest on the rescheduled principal will be determined by the respective lenders.

Bankers in London and Washington confirmed that Laker Airways was likely to dispose of one or more of its aircraft within the next year, but stressed this matter would not be a formal condition of rescheduling. "It is going to happen," declared one banker.

In London, a member of the *rescheduling team said it was* obvious to all parties concerned that Laker Airways was "in serious need." The airline would have been in "serious *financial* trouble" if Sir Freddie had been forced to make the repayments.

BP ready to invest more if tax is cut

BY RAY DAFTER, ENERGY EDITOR

BRITISH PETROLEUM said yesterday that it was prepared to invest in the development of at least four new North Sea oil and gas fields—if taxation and *gas pricing policies were* changed.

Mr Roger Bexon, a BP managing director and chairman of BP Exploration, listed five schemes which *could go ahead* involving BP, given more favourable tax rates and gas prices. The potential projects, entailing a total investment of many hundreds of millions of pounds, were the exploitation of:

- The small South Ninian oil reservoir close to Chevron's Ninian Field;
- BP's big Forties Field;
- The oil reserves in BP's Andrew Field;
- Gas reserves contained above Andrew Field's oil;
- The Bruce Field, operated by Hamilton Brothers, which *contains predominantly gas and* condensate (very light oil).

Mr Bexon said BP shared the views of the UK Offshore Operators' Association that the *overall North Sea tax level* should be reduced. There should also be changes to encourage development of smaller, marginally economic fields. He was anxious, however, that the Government should not load a higher tax rate on mature fields.

British Gas Corporation, he argued, should also pay higher *prices for natural gas supplies* to encourage exploitation of new fields.

Mr David Walker, chief executive of BP Petroleum *(UK), revealed that BP was* holding talks with other companies regarding development of gas gathering pipeline networks to replace the £2.7bn scheme abandoned by the Government.

Defence contractors face tougher terms

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

THE Ministry of Defence is being advised to seek tougher terms from industrial suppliers on delivery dates and payment schedules.

The advice is among 10 recommendations designed to help control defence expenditure. It comes in a report published by the Ministry in London yesterday.

The Ministry said discussions were in train with defence industries. They deal with the toughening of contract terms by *specifying the earliest delivery dates*.

Officials said the discussions were part of a broad process designed to help the Ministry *keep within its increasingly* strict cash limits.

While the Ministry sought greater co-operation from and consultation with industry, officials said the cash-limit system, to which the Ministry was now moving, *would require* more discipline from industry than in the past.

The Reeves report is part of continuing ministry studies to prevent overspending and hurried cuts of the type which occurred last year.

Officials say that while the actual overspending for 1980-81 was £64m, *far greater cuts*, amounting to £400m, were made in the year only by the damaging expedients of paring fuel supplies and military activities, *and applying a moratorium on* payments to industry.

It was suggested that these cuts, about £80m only of which came from the equipment *sector, have left little room for* manoeuvre in making economies.

The Reeves Study of Control of Expenditure 1981; Open Government Doc. 81/01, Ministry of Defence.

MPs urge more aid for small businesses

BY IVOR OWEN

MORE EFFECTIVE help for small businesses was demanded from both sides of the Commons yesterday when Mr John MacGregor, Under-Secretary for Industry, admitted the number of enterprises launched last year was broadly in balance with total liquidations.

Mr David Steel, the Liberal leader, said benefits available under tax relief and loan schemes introduced by the Government had helped mainly the middle and top end of the small business sector.

Not enough had been done for the self-employed, the sole proprietors and the partnerships.

VAT returns had indicated that 3,500 new businesses were being created each week but the Government had not substantiated claims that this indication provided grounds for optimism about prospects for small companies.

He urged ministers to take account of reports that business confidence remained low, and that the dual squeeze of weak home demand and public-sector prices meant many firms would not be able to take advantage of an economic upturn.

Mr Steel said the Government's loan guarantee scheme was unlikely to prove effective unless a way was found to lower interest rates.

Mr John Garrett (Lab, Norwich South), chief Opposition spokesman in the debate, said various palliatives introduced by the Government had done nothing to soften body blows inflicted on small businesses by high interest rates and other government policies.

He said company births were no higher than in the 1970s. The number of company deaths was at the highest level ever recorded.

Mr Michael Grylls (C, Surrey North-West), chairman of the Small Business Bureau, praised the Government for having done much already to end what he called the hostile business climate created by its Labour predecessor. He said, however, it was still the case that Britain committed smaller resources to helping the small business sector than any other comparable country.

The Government had begun to discriminate positively in favour of small businesses through tax and other legislative changes but, he said: "We have got to keep our foot on that tilt and make sure it remains."

Mr MacGregor said Government policies were heading in the right direction. He interpreted the main message coming from the debate, particularly from Tory MPs, to be "keep going and go much harder." He told government supporters: "I assure you I take that message fully on board."

Ten banks join loan-guarantee scheme

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

TEN FOREIGN and British-owned merchant banks and other financial institutions were yesterday admitted to the Industry Department's loan-guarantee scheme for small businesses.

The number of institutions in the scheme now totals 27. It includes the major clearing banks and the Industrial and Commercial Finance Corporation.

Another three or four institutions are likely to be added before the year's end. The list will then be closed in the rest of the scheme's lifetime. The scheme is operating on an experimental basis for up to three years.

It was launched in June and has been more successful than expected. The ceiling for loans in its first year was raised recently from £50m to £100m.

By the end of last month more than £41m had been lent. Of this nearly £23m was for new ventures and about £18.5m for existing businesses. More than £23m of the total went to manufacturing industry.

Some of the 10 banks named yesterday still have to sign final agreements with the department before they can offer guaranteed loans.

The 10 are Brown Shipley, a small merchant bank; Commercial Credit Services, part of a U.S. financial group; County Bank, the merchant-banking subsidiary of National Westminster, which is already in the scheme; *the Hongkong and* Shanghai Banking Corporation; Bank Leumi (UK), a major Israeli-owned bank; Norwich General Trust, Norwich Union *Insurance's banking arm*; the Swiss Bank Corporation; TCB, the P&O Group's banking arm; United Dominions Trust, owned by the Trustee Savings Bank, *itself excluded from the scheme* because it does not have a sufficiently developed small-business track-record; and the British Linen Bank, part of the Bank of Scotland, which is already in the scheme.

All satisfy the department's criteria that they must be approved as viable by the Bank of England, have a successful track-record in lending to small *businesses and intend to make* regular use of the scheme.

About six to eight banks which applied to join in the past few weeks, including Rothschilds, *were told they were not* admissible because they were unlikely to offer many qualifying loans.

Mr John MacGregor, Industry *Minister responsible for small* businesses, has said he is not considering any fresh applications because the scheme is proceeding faster than expected.

'82 deadline for loss-making ports

ANDREW FISHER, SHIPPING CORRESPONDENT

...OVERNMENT has told ...making ports of London ...erpool that they must ...caking even by the end ... It has refused to write ...r large long-term debts ...moment.
...l lift the limit on finan... ...sistance to both ports by ...o £360m, but wants them ...lure detailed plans for ...ng to profitability, ...increased limit is con... ...n the Transport (Fin... ...ill published yesterday. ...the Port of London ...ity and the Mersey Docks and Harbour Company recently submitted corporate plans to the Government.

The PLA lost more than £19m last year and has just closed the Royal Docks, the last of the up-river facilities. Mersey Docks lost £6.25m in 1980 and a further £2.47m in the first half of 1981.

Mr David Howell, Transport Secretary, said yesterday: "I have made clear to both authorities the intention that there should be no grants for deficits beyond the end of 1982."

Although there might be some help for their short-term debt, he added, "I cannot agree at present to the major capital reconstructions which they have requested."

The PLA owes the Government more than £90m and has total debts exceeding £110m. Mersey Docks owes about £40m, with an overall debt of £63m at the end of last year.

Both have greatly reduced manpower through severance schemes. There are only around 18,000 registered dock workers in Britain against 70,000 at the start of the 1970s.

Prior defends Catholics

BY BRENDAN KEENAN, DUBLIN CORRESPONDENT

MR JAMES PRIOR, Northern Ireland Secretary said yesterday that it would be wrong to blame the general Roman Catholic community in Ulster for IRA killings.

He was replying to questions about the recent spate of attacks on members of the local security forces, several of which took place at the victims' homes.

The attacks have produced widespread anger in the Protestant community and accusations that Catholics are shielding the killers.

Catholic leaders denied that any significant number of their community knowingly shelter the IRA. One priest, Fr Denis Faul, who is best known for his campaign on behalf of H-block prisoners, said, however, that the time may be right for the Catholic community to put more pressure on the IRA.

Mr Prior also said that the Government must have regard to the wider interests of the nation in seeking to establish closer and more friendly relations with the Irish Republic.

- A group of British MPs is to visit Dublin next week for talks with the Irish Prime Minister and the Opposition leader.

...iving company and director condemned for North Sea deaths

...ING COMPANY and its ... were condemned yes... ...over a rescue operation ...h two American divers ...0 ft below the North Sea ...ff Douglas Risk, in his ...determination after a ...inquiry in Aberdeen into ...eaths of Mr Richard ...aged 32, and Mr Victor ...aged 28, said that ...the diving company, ...more concerned with ...han safety."
...riticised Mr Brian Mas... ...the company's director ...ain shareholder, who was ...d in directing the ...rescue operation for giv... ...alse evidence at the ...earlier in the spring, as ...committing a grave error during an attempt to lift the diving bell from the seabed.

The divers died from hypothermia on August 8 1979 when the main lift wire parted from their bell near a platform site north-east of Shetland. A rescue effort was mounted by Wildrake, the divers' support ship, and a second diving support vessel.

Sheriff Risk said that although the cause was not known it was a strong probability that the pin on the shackle submarine holding the bell to its lift wire came out.

The deaths would have been avoided if the rescue had not taken so long, and defects in the diving system were a contributory factor.

The use of the clump weight and guide wire system, a means of positioning the bell just off the sea bed and an alternative means of recovery, would have been a simple way of recovering the bell, but "the decision to carry on without it rested with the diving contractors Infabco and was a serious error which made a material contribution to the deaths."

Second, a frame for the underside of the bell which would have allowed the divers to enter and leave the bell if it was on the sea bed—as it was, because the clump weight system was not used—was not being built.

"It does suggest that the diving contractors were more concerned with speed than safety, that they were prepared to run a known risk for which there was no remedy, rather than wait until the remedy was available. Such an attitude would be entirely consistent with the earlier decision to dive without guide wires and clump weight," he said.

Drop weights which would allow the bell to float to the surface when released were lashed on to the outside of the bell and could not be reached by the trapped divers. No tests had been carried out before the dive on the umbilical lifeline to the bell, and its winch, which was the only available means to raise the bell, failed when used.

"In these circumstances I regard it as rash that diving operations were commenced without the diving contractors first having established that the only means of recovery which it was proposed to use would be effective," Sheriff Risk said.

An attempt was made to lift the bell *after a new sling was* attached. The bell was dragged against the concrete base of an offshore loading system. The sling broke after Mr Masterson instructed the lifting crane to slew from side to side to free it, and Sheriff Risk said that Mr Masterson had committed a grave error instructing the crane to slew without investigating the cause of the obstruction.

He added that Mr Masterson's evidence was obviously false concerning the relationship between his company, the divers and Offshore Coordinators, a Jersey-based company which he had maintained were the actual employers of the divers. The company had nothing to do with the diving work, which was under the operational control of Infabco, the Sheriff said.

Infabco's Aberdeen lawyer Mr James Tierney yesterday issued a short statement from the company which said: "Infabco regrets the Sheriff's opinion that certain of the evidence suggested that Infabco was more concerned with speed than with safety. Infabco's policy has always been—and remains—that the safety of its divers is of paramount importance."

Bid to stall Talbot plant auction at Linwood

By Mark Meredith in Edinburgh

GROUPS opposed to the auction of plant and equipment at the former Talbot works in Linwood, Scotland, *said last night they were still* seeking legal ways to counteract the sale.

However, the auction of plant and equipment appeared set to go ahead on Monday.

Buyers attending the "industrial sale of the century" as Mr Bruce Millan, Labour's shadow Scottish Secretary has dubbed it, will face pickets who have campaigned to prevent the dismantling of the works since it closed—with the loss of 4,500 jobs—earlier this year.

The opponents of the auction yesterday withdrew plans for an injunction to stop the sale, but said other legal measures were being planned. It is thought the groups were planning to start proceedings which would query the use of government aid by the plant's owners, Peugeot Citroen.

New Year start for enterprise board

THE Greater London Enterprise Board will be established early next year as a legally separate company from the Greater London Council, which will provide most of its funds.

The board will aim to provide 10,000 jobs a year by 1985, with the emphasis on small manufacturing units. The chairman and chief executive will each be paid £25,000 a year. Gleb is viewed by the GLC as its main weapon for implementing its economic policy.

The GLC believes that its funding of the board is legally sound because the Gleb's guidelines would be in line with those laid down in section 137 of the 1974 Local Government Act. This allows a local authority to levy a special rate of 2p to fund special projects.

The scheme will be discussed by the authority in December, strongly opposed by Conservative councillors.

Merseyside uplift

A COMMUNITY refurbishment scheme affecting nearly 3,500 homes on Merseyside was announced yesterday by Mr Michael Heseltine, Environment Secretary.

He said the scheme, involving two city-centre housing estates in Liverpool and one each in the four other Merseyside boroughs, will bring about a major uplift in living standards. Funding will come from existing urban programme budgets.

Projects will repair housing, upgrade public open spaces, improve street furniture, remove eyesores and graffiti, set up management and maintenance offices on the estates and employ as many local people as possible.

Midlands boost

A SMALL but significant minority of companies in the West Midlands is experiencing improved operating conditions in UK markets, the regional Confederation of British Industry said yesterday.

Times were still hard for the majority of industry in the area. There was no evidence of a general upturn in manufacturing activity but *some improvement had* occurred recently.

The CBI reported this after gathering information from 150 companies *across a cross-section of industry.*

BNOC considers cut

BRITISH NATIONAL Oil Corporation will decide next week whether or not to trim the proposed $1.50 a barrel increase in North Sea oil prices.

Shell UK is among a number of companies which have told BNOC that the market conditions do not justify such an increase which would raise the reference *price of UK oil to $36.50.*

BNOC may well stand firm, given that a number of other companies—both buyers and sellers—have accepted the proposed increase.

Negotiators reject 4.5% Ford offer and call for strike

BY IVO DAWNAY, LABOUR STAFF

NEGOTIATORS for Ford's 54,000 manual workers yesterday unanimously rejected the company's 4.5 per cent pay offer. They called on their unions' executive councils to recommend strike action from November 24.

Mr Ron Todd, the unions' chief negotiator, rejected as totally unacceptable a management plan to link additional payments to improvements in efficiency monitored on a plant-by-plant basis.

A resolution passed by the unions' joint negotiating committee stated: "We repeat our willingness to continue to discuss with the company any *question of operating efficiency,* but we unanimously reject any attempts to introduce individual or collective financial penalties."

However, Mr Todd added that it was hoped further full talks between the two sides would be arranged for next week following informal exchanges yesterday.

Under the management offer, workers will be paid an increase in basic rates and attendance allowances amounting to 4.5 per cent if five principles to raise *efficiency are accepted. Negotiations on the basis of* assessing payments for improved working practices are stalled, however, by Ford's insistence that the rate of pay should be based on a weekly assessment of each plant's performance.

The unions claim that plant-by-plant assessment can penalise innocent workers indiscriminately with no guarantees of regular additional pay.

The joint negotiating committee, which is demanding a £20 increase in basic rates, said yesterday that they would call on Ford workers in Europe to support their action if a strike is mounted.

The management has warned that any increase in wage costs *not offset by improved efficiency* could threaten the future of some UK plants.

- A further 2,000 workers at BL's Longbridge plant were laid off yesterday because of the continuing dispute over tea breaks. A total of 2,200 men are on strike at the plant forcing 5,000 to be sent home.

BL estimates that the dispute could cost the company about £40m in lost production by the time the strikers meet again next Thursday. The plant normally produces 1,200 cars a day.

Executives of print unions agree on amalgamation

BY JOHN LLOYD, LABOUR CORRESPONDENT

TWO PRINT UNIONS seem certain to amalgamate after a joint meeting of the two executives yesterday which recommended the merger to their 230,000 members.

The Society of Graphical and Allied Trades (Sogat) and the National Society of Operative Printers, Graphical and Media Personnel (Natsopa) will put the proposal to ballot from next March, after a campaign in its favour among members.

The result will be declared next April and the amalgamation will take effect from June 3 if a majority is obtained. Mr Bill Keys, the general secretary of Sogat, and Mr Owen O'Brien, general secretary of Natsopa, said yesterday they believed their members would agree.

The entity will be called Sogat '82, to distinguish it from the present Sogat and from the previous amalgamation of the two unions, which first took the Sogat title but which fell apart after four years of troubled alliance in 1970.

The two general secretaries, who have been personal friends for nearly three decades of union activity, stressed yesterday after the first meeting of the joint executive that this second stab at merger was being done more efficiently than the first attempt.

The union will have one executive, one rulebook, one officer and branch structure, but two general secretaries until either Mr Keys or Mr O'Brien retires.

Both leaders pointed to new technology as the driving force behind the amalgamation. Mr O'Brien, whose union, though the smaller, is the largest in Fleet Street, said new technology was taking away the old craft but calling for new skills.

"All print unions are now organising the same kind of workers. There are no longer craft workers. We are all industrial unions now," he said.

All *five print unions*—including the National Graphical Association, the Society of Lithographic Artists, Designers, Engravers and Process Workers (Slade) and the National Union of Journalists—are either in merger talks or about to merge. Slade and the NGA will merge about the same time as Sogat and Natsopa, while the NUJ is conducting merger talks with the NGA.

Mr Keys said that he hoped merger talks between Sogat '82 and the NGA/Slade would start "the day after we amalgamate" and that one union for the industry would be created before he retired. (Mr Keys is 58.)

However, while the formal objectives of the NGA are to create one print union, the craft traditions of both the NGA and Slade will be hard to overcome at shop-floor level.

Communists to debate Labour links

By Christian Tyler, Labour Editor

RELATIONS WITH the Labour Party and the Soviet intervention in Afghanistan are the issues expected to dominate the 37th Congress of the Communist Party, which opens in London today.

The party's role in domestic politics continues to be a contentious issue, partly because of falling membership. In July there were 18,500 members compared with 20,000 two years ago.

A 680-line resolution from the executive entitled "mass struggle to defeat the Tories and win a Labour Government of a new type" will open four days of debate at the Camden Centre.

It calls for an end to bans and proscriptions of Communists within unions, but says that affiliation to the Labour *Party is "a long-term perspective, not an immediate issue."*

However, many amendments have been tabled saying that the Communist Party should *apply immediately for affiliation* to the Labour Party. Others suggest that the Communists should agree not to run against Labour parliamentary or local government candidates in return for affiliation.

Reports that the battle over the party's future could lead to a split were described by officials yesterday as exaggerated. Mr Ian McKay, Press and publicity officer, who is shortly to become the party's national organiser, said: "There are substantial differences, but the past few years have seen a certain development of unity."

In a debate on peace tomorrow, delegates are expected to challenge the party's decision to criticise the Soviet invasion of Afghanistan.

The Congress will be debating the financial crisis of the Morning Star, the party's daily newspaper. The paper's circulation is under 20,000 in the UK. Aother 14,000 copies are sold overseas.

Heathrow hit by BA protest

A MEETING of workers at Heathrow Airport yesterday afternoon caused 14 flights to be cancelled.

About 4,000 of the airport's 40,000 workforce were protesting about British Airway's proposals to cut pension payments. BA wants to reduce pensions by an amount equivalent to the state pension.

The meeting gave stewards a mandate to continue talks with the company on the proposals.

Meat inspectors not to escalate dispute

By Our Labour Staff

MEAT INSPECTORS working to rule over grading structures have voted not to escalate their dispute following warnings by local authorities that strike action would force redundancies.

The National and Local Government Officers' Association (Nalgo), representing 600 inspectors at more than 1,000 slaughterhouses, said yesterday that the men intend to continue their campaign for higher pay in compensation for increased pressure of work brought on by new health and hygiene legislation.

- Nalgo has called off a strike by 1,500 British Gas workers. The men returned to normal working yesterday after a poor response to the strike call.

Action on ferry cut

SEAMEN fighting the shutdown of the P&O Liverpool-Belfast ferry service promised a fresh campaign of action as crew on the company's St Clair passenger ferry at Aberdeen decided not to sail to Lerwick last night.

Mr Harry Bygate, branch secretary of the seamen's union at Aberdeen, said the P&O's cargo carrier St Magnus would be met when she arrived at Aberdeen today with the "view to her crewmen joining the strike."

THE WEEK IN THE MARKETS

Stags leap from cover

LONDON

ONLOOKER

THE MOOD on the London Stock Exchange has switched dramatically during the last three weeks. The FT Industrial Ordinary Index has jumped by more than 50 points, the volume of trading activity has picked up sharply, the stags are springing from new issue to new issue, and the birds are warbling merrily. The dreary days of mid-October now seem a long way off.

The key to all this lies in the money markets of Wall Street. Falling interest rates there have rippled across the Atlantic in no time at all, so that the yield on three-month Eurodollar deposits, for one, has fallen by the best part of three points. This in turn has allowed sterling to strengthen and London money rates to fall. Three-month interbank rate has dropped by more than 1¼ points over the same three-week period.

This has brought sharp gains at the short end of the gilt edged market. And the longer dated issues have strengthened, too, although the uncertain outlook for inflation has tended to modify the rapture somewhat here. Share prices have followed suit.

Gulliver's googly

Argyll Foods £87m bid for Linfood Holdings was running up to a rousing climax this week when suddenly, with the jolt of a trip wire on an aircraft carrier, the proceedings were arrested by a reference to the Monopolies Commission. Mr James Gulliver and his colleagues at Argyll bowed out quickly, placing Argyll's 29.99 per cent stake in Linfood with institutional investors at 156p per share.

The outcome would probably have been very close. Each side had bombarded Linfood's shareholders with a plethora of opinions and statistics in their quest for favour. Argyll had timed its bid well. Linfood's record was rocky, board members had been coming and going, large tracts of its business were operating on negligible margins and Argyll had been able to shake out a big shareholder, Guinness Peat, at an attractive price.

The defence, with new top management, slugged it out with a will and was keeping up a cheerful face right up until Wednesday when Argyll had said that its 170.9p per share cash offer was going to close if the bid went unconditional.

But on that very morning, the Office of Fair Trading stepped in with a recommendation that the deal be referred to the Monopolies Commission for a six month investigation.

Argyll was genuinely surprised by the reference. It probably had over 40 per cent of Linfood's equity in its pocket by that point and, with the institutional investors due to lodge their acceptances at the last minute the bidder was very confident.

But, with hindsight, the reference should not have been a bolt from the blue. The Monopolies Commission had published a report on Discounts to Retailers in the spring and admitting that many issues were still up in the air, had made it plain that subsequent mergers in the distribution sector were to be scrutinised.

Given that the turnover of the combined group would have been over £1½bn across the food wholesaling and retailing spectrum and that the real point of the deal, from Argyll's point of view, was to achieve greater buying power and economies of scale, it is clear why the OFT was interested.

The reference leaves Argyll in limbo for the moment. The group has been built with remarkable speed over the last couple of years by share offers on an ever-increasing scale but now the authorities' attitude toward retailing mergers will be unclear before a test case. The recent bid by F. W. Woolworth for Dodge City, the *DIY* chain, is being weighed up by the OFT and may be referred.

At least this cooling off period gives Argyll an opportunity to answer criticisms by some of Linfood's larger shareholders that it is no more than a paper-spinning bid machine.

Lucas on the mend

Lucas took the knife to its overheads last year and has now reached the point where it should be able to live with the drop in demand for car components.

The surgery has been deep. Numbers employed in its UK plants fell by over 10,000 in the year to July 31 last, which is going to trim perhaps £60m off the payroll annually.

The bill for redundancies and closure costs bit heavily into the dominant vehicle equipment operations, which lost £45.3m during the year by comparison with the earlier profit of £27.3m.

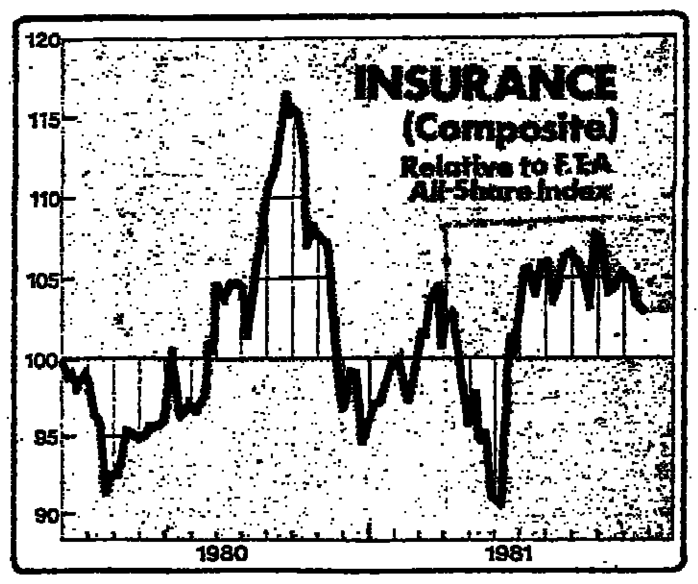
Fortunately, Lucas has a growing proportion of overseas sales and a booming aerospace division so profits for the group as a whole are starting to re-emerge. In the first half, it lost £25.4m before tax and after rationalisation costs of £7.2m. In the second six months, Lucas made profits of almost £4m despite absorbing further pruning at a cost of £19.2m. The basis of depreciation has changed, cutting the charge by just over £4m but, against that, research and development has been stepped up by £10m to £65m. Capital spending last year was maintained at £114m.

The outlook for the current year may be for profits of around £50m before tax. Although Lucas expects all divisions to stay in profits this time, aerospace and overseas operations will be responsible for any real growth.

Aerospace has at last come right. After a frustratingly long period of very low returns from a good, and growing, order book, the division appears to have solved its labour relations problems and reorganised production to the point where last year's profits jumped by 127 per cent to £21.2m on sales boosted by rising Airbus and Tornado production.

Overseas sales grew by £30m to £408m while UK turnover dipped by £40m to £778m. Yet something over half the output from Lucas's UK plants now goes overseas, taking the group's own estimate that indirect exports were worth about £200m. So the shift in exchange rates is making a substantial difference to profitability in the current year.

Lucas seems confident enough, judging by the decision to maintain the 11p per share total dividend. The shares started the week at 172p and have closed comfortably over 200p. Borrowings are now standing at 42 per cent of shareholders' funds against 26 per cent at the beginning of the year and will rise further when (or if) Lucas starts financing a higher volume of business. For the moment, though, fears of a rights issue have been pushed firmly into the middle distance.



Whitbread's admission

By the standards of the brewing industry the 7½ per cent fall in beer consumption over the past 12 months is savage. So a fairly flat performance from Whitbread's half-yearly figures reported this week was already largely discounted.

In the six months to the end of August (Whitbread's accounting period) UK beer production fell by 6.3 per cent. Consumption was possibly down a shade more and the only month which did not see a fall was August. Whitbread's published turnover increase of just under 7 per cent can be attributed solely to increased duty and price rises. In fact the group lost more ground than average — volume was off around 7½ per cent. It's not often a brewer admits to losing market share.

At the trading level Whitbread's profits barely budged with a £1.4m increase to £54.8m. To put this in perspective stockbrokers Buckmaster and Moore estimate that savings in labour costs—redundancies in 1980-81 amounted to around 1,000—could have been worth £3m.

At the pre-tax level the rate of advance had been pushed up to 8½ per cent at £38.5m, but this was largely due to special factors. A further cash inflow from the Chiswell Street property development meant that interest costs fell nearly a third to £6.2m while trade investment income rose 42 per cent to £2.2m.

Composite contrasts

The nine-month figures this week from Commercial Union and General Accident show how two major insurance groups are coping with the current US trading cycle.

GA has seen its U.S. underwriting losses swell over the nine-month period to £16.3m against a loss of only £4.7m last year, while CU's losses moved from £23m to £69m. But GA could see a stable situation next year and a sharp reduction in losses thereafter.

The trouble is that the prolonged downcycle in the U.S. insurance industry has caught CU in the middle of a major reorganisation and development programme.

In the U.K. a similar pattern has been seen. CU has shown steady premium growth and moved into losses on its underwriting, while GA with virtually no growth in business is in a very strong position with a £5m profit against losses this time last year. Conditions in the UK have been very kind to the GA with its heavy reliance on motor business. The weather has been good, the recession has put a brake on repair costs and petrol consumption is lower. But all insurance managers in the UK are hoping for a mild winter, having effectively cut premium rates in real terms just to retain business.

MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1981 High	1981 Low	
F.T. Ind. Ord. Index	519.2	+24.7	597.3	446.0	Heartened by rising Gilt-edged
F.T. Govt. Secs. Index	63.68	+ 1.59	70.61	60.17	Interest rate cuts
F.T. Gold Mines Index	326.0	−27.0	429.0	262.6	Weak bullion price
Allied London Props.	87	+17	103	57	Results and prop. valuation
British and Commonwealth	325	+20	335	262	Interim results
British Sugar	377	+62	380	243	RHM dawn raid/good results
Courtaulds	64	+ 7	78	49	Int. due Nov. 26
Dyson (J. and J.) A	70	+12	70	26	Speculative support
Freemans	128	+16	142	86	Broker's circular
Inch Kenneth	263	+73	300	165	Spec. demand/thin market
Kwik-Fit	49	−13	112	48	Disappointing int. profits
Land Securities	331	+24	352	252	Cheaper money/Int. res. Monday
Linfood	157	−16	181	123	Bid referred/Argyll sells out
Lucas Inds.	207	+35	240	159	Annual results please
Ropner A	208xd	+25½	222	150	Speculative demand/thin market
Smiths Inds.	363	+38	401	256	Better-than-expected results
Strong and Fisher	55	−14	81	54	Rights issue/poor results
Unigate	98	+10	127	83	Persistent support
Valor	56	+ 8	70	36½	Better-than-expected int. figs.
Wolseley-Hughes	266	+36	290	225	Chairman's optimism

Doubt in the air

NEW YORK

DAVID LASCELLES

FIRST THE good news: the prime rate hit its lowest point in a year this week. Now the bad news: it is still at 16½ per cent, which would have set a record only 18 months ago and probably explains why the stock market meandered about all week, unable to decide whether times is good or times is bad.

On the face of it, one would have expected this month's startling drop in interest rates to ignite a rally in the stock market. Bond yields have come down sharply in the last fortnight, so have short term interest rates. Bullish analysts have little trouble assembling glowing scenarios for the next couple of quarters.

Yet a strong sense of suspicion and doubt pervades the air. Although long term interest rates are coming down and that is good news, investors seem to be saying, "But what about the recession," which looks as if it could be a lot worse than feared? And why should we believe that interest rates are down "for real" this time when we have been fooled and burned so many times before?

Industrial production and retail sales, both key business barometers, were down sharply this week, and even President Reagan admitted that the country is in for "hard times" in the next few months.

A sign of how firmly investors are standing on the sidelines is the persistent growth of money market mutual funds, which have become a bulging storehouse of "parked" but readily available money. The latest figures show the funds now control $173bn, an increase of nearly $3bn on the previous week, in spite of the fact that the average yield on these funds has fallen below 15 per cent in line with the rest of the credit markets. Brokers on the whole seem to be advising their clients to stay put for the time being because the market could go anywhere.

Interestingly, investors have stuck with the money market funds in spite of a rash of scare stories in the financial Press suggesting that some funds could run into liquidity problems. This would happen if a fund was forced to dump its money market assets to meet a sudden surge in liquidations by investors. However, analysts have suggested stories are being deli put about to try and sl money into the stock ma get a rally going.

Whatever the truth these Byzantine mach the only stocks that hav much bounce in the l night are ones that are to changes in interest and some have done qu

Banks are the most pr of course. Big "money banks like Citicorp, Cha hattan, Bank of Amer Manufacturers Hanover advanced about 10 per value in the last fortn the longer run, though, tend to favour the high regional banks which well-known but have growth prospects. Th banks like First City First International, Tex merce and Southwest B are particularly popula

Utility stocks have a back into favour. C that generate electr supply telephone ser specially interest rate because a large par expenditure is linked t of financing their vas investments.

American Telepho Telegraph, the grand them all, traded at a high of over 60 this we is only five short of it ever. AT and T has app a listing on the London starting next year. Co in the AT and T syst literally billions of worth of bonds each y the recent improvemen bond market has been help to the company.

Electric utility stoc also been trading a highest point this year, ing Con Edison, the lambasted New York which supplies Wall Str its power. Some analy also been recom electric utilities becau levelling off in dema electricity should redu panies the industry's ex costs.

Utility stocks are glamour plays, of cours relative safety and stea make them the stuff o and orphan portfoli their linkage to interc has also made them m tile than before.

MONDAY	855.21
TUESDAY	853.98
WEDNESDAY	857.12
THURSDAY	860.54

Big pay-off for Little Long Lac

MINING

GEORGE MILLING-STANLEY

ON AT LEAST one previous occasion, this column has expressed admiration for the forward sales policy of Canada's **Little Long Lac Gold Mines** group.

This group, which accounts for around 10 per cent of Canada's annual output of gold, sold the whole of 1981's expected production of 178,200 ounces forward at an average price of C$735 per ounce.

This is equivalent to a price per ounce of U.S.$617 at current exchange rates, or about US$200 an ounce above the present bullion price.

This week's results from the group for the first nine months of the year provided further support for the wisdom of the policy.

Net profits for the period jumped by no less than 245 per cent to C$13.1m (£5.8m) against those for the same period of 1980.

Little Long Lac derives the bulk of its income from equity interests in **Lake Shore Mines** and **Long Lac Mineral Explorations**, which themselves have stakes in a number of gold producers, among them **Willroy Mines, Les Terrains Auriferes, Malartic (Quebec), Silverstack Mines, Copper Giant Mining** and **Les Mines d'Or Thompson Bousquet**.

One of the senior companies within the group, Lake Shore Mines, recorded an increase in profits of a similar magnitude. Here, net profits for the nine months were C$21.3m or C$4.82 a share, up from C$6.6m or C$1.29 a share for the same period of last year.

For the third quarter, net profits were C$5.2m or C$1.19 a share compared with C$3.5m or 61 cents last time.

Lake Shore's directors said that earnings continued at a high level in the third quarter principally as a result of the policy of forward sales. Higher production also made a contribution.

Mr Peter Allen, Little Long Lac's chairman, said earlier this year that the outlook for gold price was for a "more stable, narrow trading range around current levels." Bullion was then about $460 an ounce.

In the event, gold has slipped well below this level, making the decision to sell the whole of the group's output forward seem even wiser.

Of course, the group would have been kicking itself if bullion had repeated its early-1980 run up to record levels, although even then there is a lot to be said in favour of having a fixed, known level of income for the whole year. As it is, the group, in the words of one Canadian analyst, must be laughing all the way to the bank.

The Little Long Lac group has one other factor in its favour; it is composed of relately low-cost producers, all of which are capable of developing substantial extensions to present reserves.

Most of the other companies reporting results this week were not able to protect themselves in the way that Little Long Lac did, and their figures show very clearly what happens when metal prices behave in the manner indicated by the accompanying chart.

Low metal prices and falling sales volumes combined to push Canada's **Hudson Bay Mining and Smelting** into a net loss for the third quarter, and the company halved its regular quarterly dividend to 15 cents (6.7p) a share.

The net loss for the three months was C$4.89m, compared with a profit of C$5.44m last time. This result cut net profits for the first nine months of the year to just C$5.03m against C$36.86m at the same stage of last year.

Hudbay, which is the Canadian arm of South Africa's **Anglo American Corporation** group, had looked as if it was coming right in the second quarter, when it produced good results after a disastrous first three months.

—Mr E. P. Gush, chairman, said that the various metals divisions within the group suffered from low prices and high operating costs, and even the coal division ran into losses as high interest charges and depreciation more than offset satisfactory operating profits.

Noranda Mines, another leading Canadian natural resources group, also made a net loss in the third quarter at the operating level, although this was masked by an extraordinary gain of C$41.7m from the sale of the group's holding in **British Columbia Forest Products**. The operating loss was Noranda's first in almost 30 years.

Net profits, including the extraordinary gain, came out at C$27m, down from C$135.9m for the third quarter of 1980.

Noranda said that fourth quarter operating results should be somewhat better, but "they will nevertheless be totally unsatisfactory."

The directors added that they could see no significant improvement during the first half of 1982, and the best that can be hoped for is an economic recovery during the second half of next year.

Noranda said that high interest rates and depressed economic conditions resulted in extremely weak demand for virtually all of the group's products, and in constant dollar terms, prices are now generally well below the levels that prevailed even during the 1975-77 recession.

The problems are, of course, not confined to North America, as this week's results from Japan's **Mitsui Mining and Smelting** and **Marinduque Mining and Industrial** of the Philippines showed.

Mitsui Mining, Japan's biggest integrated non-ferrous metals smelting company, returned a net loss for the first half of its financial year of Y3.94bn (£9.17m), against a profit last time of Y572m. The group is forecasting a net loss for the full year of Y6.4bn.

Mitsui Mining has been in deficit for several years, apart from a freak performance in 1979 on the back of high silver prices. The company is trying to rectify the position by cutting its workforce by about one-fifth, but is encountering stiff opposition from the trade unions.

Marinduque, which operates the largest nickel refinery in the Philippines, recorded a sharp rise in the net loss for the first nine months of the year to US$71.68m (£38m), against a loss for the corresponding period of 1980 of $12.52m.

Higher costs and lower metal prices were the main causes mentioned by Mr Jesus Cabarrus, the company's president.

Australia, too, is feeling the pinch, as comments from the chairmen of two of the leading mining companies there revealed.

Sir Arvi Parbo, chairman of **Western Mining Corporation**, told the group's annual meeting that profits for the first half of the year to next June will be substantially lower than the A$31.94m (£19.5m) earned in the same period of 1980/81.

He added that it was impossible at this stage to predict the likely level of results for the second six months, but reminded shareholders that the current depressed state of the metals industry was a result of cyclical factors.

Looking on the bright side, he said that world nick were low with supp demand currently balanced, and there w likely to be a shortag demand picked up. W said, was well placed advantage of this.

Sir Edward Cohen, ch of **EZ Industries**, told h pany's annual meeting is still operating at a p spite of the low level o prices. These are expe improve next year, he a

In the short term, EZ's cent interest in North **Hill Holdings** should some support for pro said, while further ahe 30.5 per cent holding in **Resources of Australia** start to make a contribu the year to June 1983, as the planned Elura le silver mine at Cobar, South Wales. ERA is the ing company for the big uranium mine in the No Territory.

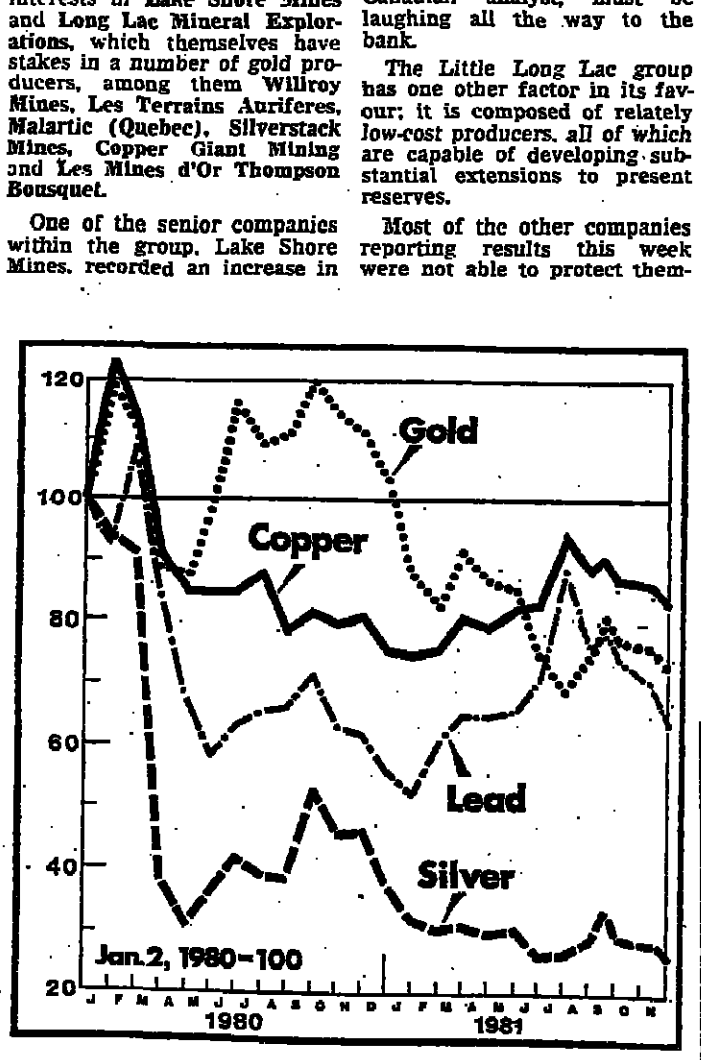
Coal production is one few areas of mineral d ment to provide good n present, and this week's from South African coa ducers lightened the gl little.

Anglo-American Coal Ction (Amcoal) turned i profits for the nine mon R78.3m (£43.2m) or 320 c share, up 29 per cent fro comparable period of last

The group forecast tha rate of increase should *least maintained over the* six months to the new ye on March 31.

Two coal companies i Gencor group, South A second largest mining also put up good perform First quarter net profi **Trans-Natal Coal Corpo** were 50 per cent ahead c previous comparable peri R9.91m, while **Clyde (Transvaal) Collieries** adv 46 per cent to R2.5m.

Even on the coal front, was a note of warning, co from Mr R. J. Burge, exec manager of **Broken Hill** prietary's minerals div Echoing earlier remarks **International Mining's** norr enthusiastic chairman Mrs l Phillips, he cautioned Austr coal producers against dangers of over-supply.



OUR SAVINGS AND INVESTMENTS—1

...king the sting from CTT

...ORS are aware of the ...of Capital Gains Tax, ...rcise some care in ... such gains to mini... tax bill. But where ...Transfer Tax is con... very few individuals ...y attempt to soften the ...

...are two reasons for ...lia. Mitigating CTT in... involves giving away ...wer a long period. ...re reluctant to do this ... of uncertainty about ...re.

...gotism in most people ...hat they will hang on ... assets for as long as ... anyway. Remember ...ppened to poor old King ...

...wer, since transfers be... husband and wife are ... CTT, there is no —as there was with the ... Estate Duty—to do ... to ensure that one's ... not hit with a massive ... Life companies have ...ed a means of offering ...on of CTT, while still ... the investor to retain ...o the assets.

...urprisingly, CTT mitiga... schemes are complex, because this is a com...x. Investors interested ... schemes should be pre...o spend a lot of time ...anding exactly how ...rk.

Vanbrugh Inheritance ... from Vanbrugh Life ...ts plan on this year's ... Act concession that ... people to make interest ...ns to beneficiaries with...urring CTT. Basically, the investor sets up a trust and passes on the assets in the form of an *interest free loan to the* trustees. Provided they invest that money in a non-income producing asset they avoid income tax problems.

A linked-bond is a suitable vehicle. The investor gets income by having his loan repaid through the 5 per cent tax deferred withdrawal facility. He retains full access to the trust's assets—that is the bond—and can recall some or all of them at any time. By being one of the trustees, one can remain involved in the management of the linked bond.

When the investor ultimately decides to relinquish his hold on the assets, the beneficiaries become the owners of the bond and can hold on to or cash-in *the bond as desired, without a* CTT liability. There *would* be a higher rate tax liability on cash-in—but then if a share portfolio was transferred, there would be *CTT* on the transfer and a tax liability on cash-in.

AMEV Life also uses a *linked life bond as the basic investment vehicle*, having a split-trust arrangement. One part of the trust is gifted to the beneficiary, the other remains ungifted and the investor can get his income from the withdrawal facility.

Both these plans are based on straightforward linked-life *investment set up under the* appropriate trust. There is no element of artificiality in the construction. But the plan from Property Growth Assurance can be regarded as as an artificial arrangement.

The plan consists of two basic elements. The first is a term assurance paying out a sum should the investor die before the youthful age of around 100. The second element is a pure *endowment investing in units* which provide the income under the withdrawal facility. If the investor dies before 100, the endowment lapses and the term assurance is paid. The term assurance is gifted to the beneficiary, the CTT liability being based on the value deter*mined by the actuary and off*set against the CTT threshold. The beneficiary receives the asset when the investor dies.

Property Growth has cleared the actuarial basis with the Transfer Tax Office of the Revenue. But the plan falls flat on its face should the investor *survive to 100, since the term* assurance will lapse, and the benefit under the endowment becomes payable to the investor. Property Growth regard this eventuality as remote enough to ignore.

This year's Finance Act concession *on thresholds means* that a *new* plan can be taken out every 10 years.

Albany Life has just launched its version of this type of plan. Anyone interested in these plans should take care to work through an experienced intermediary and the High Street broker without tax expertise *should point you to a specialist* intermediary. And investors should play safe by using a registered insurance broker.

Eric Short

Withholding of rent

FINANCE AND THE FAMILY

BY OUR LEGAL STAFF

My mother leases a flat in a mansion block. Some of the flats have been sold outright, including the one above her, which Mr X has bought and let. Something has gone wrong with the plumbing and my mother's flat gets flooded, but Mr X has failed to fulfil his promise to get it put right. Can my mother withhold her rent until it is?

Unless her landlords themselves are in breach of covenant your mother is not entitled in law to withhold her rent. However it may prove a practical solution for her to do so.

Contract for house sale

I put up my house for sale *and was doing my own* conveyancing. I had reached the point where the purchaser's solicitor and I expected to exchange contracts. Then owing to some doubts which had arisen in my mind *regarding the bona fides* of the purchaser and whether he could produce his deposit decided to withdraw the property and wrote to the solicitor asking for the return of my part of the contract. *Two days later I* received the purchaser's part of the contract, with no comment on my letter. When I queried this I received a sharp letter in reply: "Your letter was received on the same day as our client instructed us. Irrespective *of the time the letter was* received, contracts have now been exchanged and you are therefore committed to this purchase." *Was the solicitor correct?* Do I have grounds for litigation?

The solicitor will have been *correct if he obtained his* client's instructions (and the deposit) before your letter was received (i.e. opened in the normal course of dealing with post). It is therefore a question of fact, depending on evidence as to what happened in the solicitor's office on the relevant day, *as to whether there* is a contract or not, and whether you have any recourse against the solicitor.

Buying gilts ex-dividend

As a pensioner, on basic rate of tax, is there any advantage in buying gilts as soon as they go ex-dividend and drop in price? *One of my knowledgeable* friends says there is tax-wise.

Your knowledgeable friend will doubtless be aware of the tax dangers of systematically buying ex-dividend, which are to be found in *section 30* of the Taxes Act (as amended). The provisions of section 30 were mentioned in a reply published on March 4 under "Short-dated gilts and tax," and in replies published earlier. We cannot tell whether section 30 would *carry any dangers for you, un*fortunately, without knowing far more detailed facts and figures about your income.

If, by buying ex-dividend, you avoided the 20 per cent age-allowance clawback only (as distinct from the 15 per cent investment income surcharge), then section 30's *jaws* could not catch you.

Settlement on a child

Some years ago I bought my son £150 of shares as a joint birthday and Christmas present. This was in line with the amount I normally spent on such presents for him and for a couple of years the tax authorities returned the tax charged on the dividends. They have now changed their minds (although I have explained the circumstances of the gifts) and say that I am the Settlor and under Section 444(2) ICTA 1970 and 437(1) ICTA 1970 the dividend will be considered part of my income until my son is 18. May I have your comments, please?

As we explained to a young reader in a reply published on February 21, under "Settlement on a child," it depends not on how big you are but on how *big the income is from a parent's* gifts. If the income amounts only to £5 or less in each tax year, it is exempt (or, at worst, is taxable at the child's own rate); but, if it amounts to £5.01 or more, the whole of it is taxable at the parent's highest rate (under section 441(3) of the Taxes Act).

The only way to escape the jaws of section 437 (et seq.) is either to leave the country (by virtue of subsection 5) or to *persuade your son to marry* whilst still a minor (by virtue of subsection 1, as amended), we are sorry to say.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Joint election for CGT

My wife purchased the 23 years underlease of a mews flat for £7,070 in October 1963 (Deed of renunciation dated January 1962) for the occupation of her widowed mother. The cost after stamp duty etc. was *£7,225*. From August 1964 her mother paid an annual exclusive rent of £500 until 1976 when she could no longer afford it. She died in the flat on March 4 1979.

My wife sold the premises, that is the remaining 6 years of underlease the completion being 22 November 1980. The amount received after fees etc. was £35,963.

***How will the CGT be* calculated having regard to the purchase being before April 6 1965? Would it be advantageous to value the underlease as at that date?**

From 1 April 1980 to 1 November 1981 we lived in the property in order to arrange for disposal of effects, probate etc. *and because alterations were* being made to my house. Does this affect the issue?

On the bare facts given, we suggest that you and your wife submit a joint election and claim (under sections 101(5)(a) and 105(2) of the Capital Gains Tax Act 1979) that:

(i) The mews flat be treated as your main residence for the period from April 1 to April 5, 1980, but your house be treated as *your main residence* for the periods before and after that five-day period: and

(ii) relief be given under section 105 in respect of the mews flat for the period from the date in 1976 from which your wife's mother was allowed to occupy it *rent free (and without any* other consideration) up to her death.

The effect of such a joint elec*tion and claim would be to pro*duce a chargeable gain somewhere in the region of £22,000, as follows, subject to the accuracy of our assumptions on facts not given in your inquiry:

Assumptions

(a) The lease was for a period of 25 years from January 1, 1962.

(b) The contract for assignment of the lease to your wife *was made on October 1,* 1963.

(c) Your wife's mother was allowed to occupy the *property rentfree (and with*out any other consideration) from August 1, 1976.

(d) The contract for assignment of the lease by your wife was made on November *1, 1980.*

Proceeds (less expenses)	35,963
Cost (plus expenses) ...	7,225
Actual gain	28,738
Cost disallowed under schedule 3: 46,594/78,447ths of £7,255 =	4,291
Notional gain	33,029
Gain exempt under schedule 5: 553/6,242nds of £33,029 =	2,926
Potentially chargeable gain	30,103
Gain exempt under sections 102 and 105: 1,553/5,689ths of £30,103 = ...	8,218
Chargeable gain	£21,885

(The number of inquiries we receive prevents us from double-checking complex calculations, so our illustration should be regarded as fallible.)

The solicitor who acted for your wife in the sale of the property could guide you through the complex and arbitrary rules in the Capital Gains Tax Act 1979 (as amended by *chapter III of part III of the* Finance Act 1980) if need be. As a first step, you could ask your tax inspector for a copy of the free leaflet CGT4 (Capital gains tax: owner-occupied houses), making sure that you get the version which was issued a few months ago.

It seems most unlikely that it would be beneficial for your wife to elect to be treated as having acquired the lease on *April 6, 1965*, at its market value on that day (with her mother in occupation).

...Method in the madness

TAXATION

DAVID WAINMAN

...WOULD say that there ...ts of our tax legislation ... could only have been ... up by madmen. But is ...nethod in some of this ...s—and is it pure ...ian method to boot? ...was Sir Geoffrey Howe ... to achieve in super...ng Section 61 of the 1980 ... Act on to the existing ...ion on dates for pay...f tax?

... was the section which ...ed, from July 1 to Decem... the due dates for pay...f higher rate assessments ...ling investment income ...rge), and capital gains ... But when recession is ...hard, and cash is scarce ...xpensive, is not the ...oncerned more a matter ...us hope than of "due ...nce?

... many months earlier ...ear, the tardy taxpayer ... have been inclined to ... that unpaid tax costs ...t. The charge is at 12 ...nt per annum, and since ...nterest is not deductible ...income, it can only be ...ed as penal.

... that there is again a ...of urgency in missives ...he Tax Collector, it is ... to know just how far ...edit can be stretched ...t snapping. The rules ...hing if not strange.

...he assessments for tax ...ise due on December 1 ...emselves issued after ...ber 1, this pushes the tax payment dates back because there is always a minimum interval of 30 days from the assessment to the date when tax becomes due. Only in one set of circumstances, (unusual we must hope), can interest start running from a point earlier than the end of the 30 days. We will deal with this below.

Let us asume, however, that an assessment is isued which the taxpayer thinks excessive. He will "appeal," not meaning that he will necessarily parade in front of the Commissioners to dispute the figures but by the less dramatic process of notifying the Inspector that the figures are wrong, and that the position should be held open until a corrected assessment can be agreed between the two of them.

Giving notice of appeal against an assessment does not of itself excuse the taxpayer from paying the tax demanded. But if the assessment is excessive, so also will be the amount of tax demanded: the taxpayer has the right to apply, within the same 30 days from the assessment date as applies *for notices of appeal, to have* the excess part of the tax "postponed."

The effect, if the Inspector agrees the *application*, is not merely the holding over of the postponed tax, but also to change the due date on which the balance is payable. The taxpayer is allowed 30 days from the date of the Inspector's agreement to his application for part-postponement.

If the original assessment to collect higher rate tax on investment income was issued on October 15, and the taxpayer left his appeal and postponement applicable to the last permissible day, it is entirely possible that the Inspector's agreement would not emerge until, say, *December 7*. The wily taxpayer has thus delayed to January 6 the evil date on which he must reach for his cheque book.

And since cash is usually even shorter on January 6 than at any other point in the year, he might also like to know that interest is only charged on tax paid late if the interest itself amounts to £30 or more. If the tax not postponed were £1,000 that would give him 91 days *free of interest, until April 6*—if he could dissuade the Collector from distraining on his goods and chattels before then.

Such generosity and self-denial seem out of keeping with the Chancellor's normal paranoia about the Public *Sector Borrowing Requirement*. So what sanctions are available against a taxpayer determined to take whatever he can get, even though others might see this as an abuse of the system?

First, we have noted that it is the taxpayer's application for postponement of *some* part of the assessed tax that pushes back the due date for the non-postponed tax, re-fixing it by reference to the date of the Inspector's agreement. What happens *if the Inspector* declines?

The postponement application has some similarity to an appeal against an assessment: if taxpayer and Revenue cannot reach amicable agreement, the law prescribes a hearing in front of the Commissioners. Even if they decide the application is vexatious and throw it out, the tax thus determined to be payable only becomes due 30 days after the Commissioners' hearing.

To say that both Inspector and Commissioners may be vexed is probably an understatement. And taxpayers who intend to adopt such a procedure should therefore take care that the information needed to determine the appeal against the assessment itself (and as a corollary the postponement application), is given to the Inspector in time to prevent the Commissioners determining the assessment at an *arbitrary, and* excessive, level.

Even then, the gambit may be thought too provocative. The Revenue have one particularly nastly sledgehammer for cracking taxpayers whom they regard as nuts. It is to be found in Section 88 of the Taxes Management Act 1970.

Where a taxpayer wilfully defaults on his obligation to render prompt and complete returns of his income, and as a result tax is lost to the Revenue, they can demand interest not from 30 days after the assessment (or any later determination,) *but from what would have* been the due date had an assessment been made and agreed at a proper time.

Those who would provoke Sir Geoffrey must take care. But it is possible, nevertheless, to see a Keynesian hand pumping modest amounts of liquidity into *the recession through the un*likely mechanism of the Income Tax provisions dealing with interest on tax paid late.

UNIT TRUST AND ...NSURANCE OFFERS

YOUR SAVINGS AND INVESTMENTS-2

Paying the Girobank way: **Rosemary Burr** reports

Just a little off the bill

MOST PEOPLE throw away the only valuable bit of their gas bill without a second thought on how they could save money by filling out one of the stubs. The bills demanding payment are complicated, and include a choice of forms to be filled in by those customers who prefer to pay by bank giro credit or Girobank credit (note the distinguishing capital letter) rather than by cheque.

All too frequently people get put off by the list of instructions and simply post off a cheque to settle their bill. Anyone with an account at a clearing bank could save money by using a bank giro credit. The saving is two-fold. First, there is no postage. Second, those customers who pay bank charges can make a saving by paying several bills at one time with bank giro credits.

To pay by bank giro a customer simply fills in the form attached to the bill and takes this together with a cheque for the amount billed to a branch of the bank where he has an account. Filling in the form is relatively simple: all that needs to be written is the amount, date and name of the person paying in the money. If more than one bank giro credit is being paid at any one time only one cheque need be written to cover the total.

The advantage of using bank credits is lost if a customer either accompanies the credit by cash or presents the credit at a branch of a bank where he or she is not a customer. In both these cases a charge greater than the cost of a first-class stamp will be levied.

At present, bank giro credits can be used to pay rates, gas, water, electricity, income tax, John Lewis, mail-order companies, Access, Barclaycard and Trustcard. The biggest single user of the system is the mail-order sector. The use of paper credits has boomed in the past decade rising from 226m in 1970 to 422m in 1980.

There is nothing to stop anyone wishing to pay bills by bank giro credit from approaching the company he owes money and asking whether he can pay in this way. All that is needed is details of the company's bank account number and branch. Do-it-yourself giro credits may be more difficult in the future as by the end of 1983 each credit will have to carry a standardised printed code.

For those who prefer not to bother with writing a cheque then opening an account with the National Girobank, an arm of the Post Office, may be the answer. Girobank account holders can pay their gas bills by filling in the attached Girobank form. This form has the dual purpose of debiting the customer's Girobank account for a specific sum and crediting the same amount to the account of the utility. The form is completed by stating the amount to be paid, noting the customers' Girobank account number and adding the account holder's signature. This is then sent to Girobank's headquarters in Bootle in a pre-paid envelope.

To take advantage of this system customers obviously have to open a Girobank account. Is this a good idea? For people without an account who may be suspicious of banks then the informal atmosphere of the Post Office and the limited range of basic services may be appealing. For those with a clearing bank account it does not make sense to tie up more cash than is absolutely necessary in a current account, so existing customers may be better off staying put and perhaps taking more advantage of the cash dispenser services, direct debiting and bank giro credits offered by the banks.

To open a Girobank account £10 is needed and from there on banking is free provided the account remains in the black. There is no overdraft facility although loans can be arranged. The opening hours of the Post Office mean account holders have access to cash on Saturday mornings.

Girobank offers less flexibility for customers wishing to withdraw cash than the clearing banks. Account holders are limited to making cash withdrawals at two stated post offices. The maximum amount to be withdrawn is £50 unless customers are given a cheque guarantee card in which case they may get up to £100 cash from one named post office. The Girobank has no cash dispensers for customers to use outside Post Office hours.

Banking Brief

Girobank does not yet offer its customers a mortgage or credit card. The latter is not a very big disadvantage as anyone can apply for a credit card issued by one of the clearers without having a current account at that bank.

For the rest, the differences are more intangible. Post Office staff are not trained as banking clerks and unlike their foreign counterparts the Girobank does not have separate counters. There is also no personal touch. All transactions are completed by post and it is the faceless men from Bootle, where the Girobank has its headquarters, that will decide whether or not a loan should be made.

A place in the market

W. GREENWELL, the stockbrokers, has come up with a new formula for vendor placings which gives shareholders the opportunity to subscribe for shares. In the past vendor placings have been unpopular with shareholders who have found their stakes diluted by the placing of new shares with institutions.

Vendor placings occur when a company pays for an asset by issuing new shares. If the vendor does not wish to keep these shares, then a placing is arranged. The shares are placed with large institutions — normally below the market price.

Approval for the placing is needed from both the Stock Exchange and the company's shareholders. There is no limit on the amount of shares that can be placed in this way.

When Raglan Property Trust, a small property company with net assets per share of around 1p, agreed to buy Dido Investments for £1.022m the company was faced with the question of how to finance the deal. Raglan had not paid dividends since April 1974 and its brokers Greenwell thought it would be unwise to try a rights issue at a price substantially above net asset value per share.

At this stage, the conventional line would have been to make a placing with the institutions. But such a placing could have heavily diluted the interests of existing shareholders. For little Raglan, this was a very big deal—standing to increase the outstanding share capital by a half.

SHARES

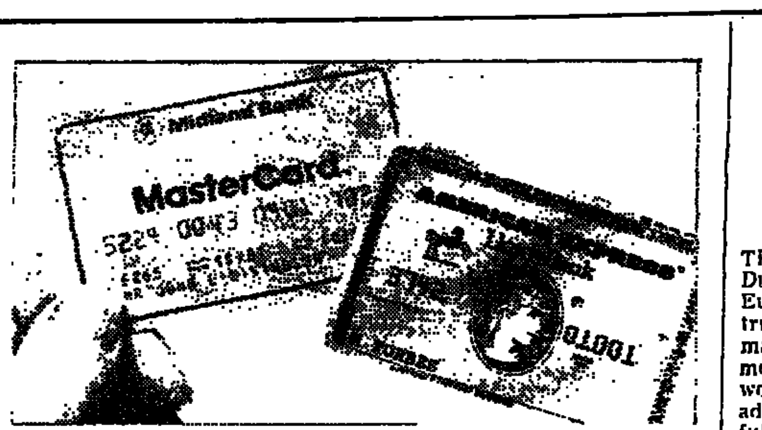
ROSEMARY BURR

So it was decided to give shareholders the chance to buy one share for every two held at the placing price of 7½p per share. According to Greenwell, "this was unlikely to be everyone's cup of tea." shares were [illegible] placed with four leading [illegible] tutions — Kleinwort [illegible] M and G, Scottish Am[illegible] Investment, and Ne[illegible] Securities Trust.

These institutions agreed to take up any not subscribed by share[illegible] and are being paid a [illegible] doing this—roughly [illegible] with the commission for writing a rights issue.

Some institutional holders have welcomed th[illegible] approach and express[illegible] hope that the Raglan Pr[illegible] Trust transaction will [illegible] precedent. But Mr Tom [illegible] chairman of the National [illegible] ciation of Pension Fun[illegible] vestment Protection Com[illegible] said: "It's a rights issu[illegible] in a convoluted way. [illegible] see it setting a preceden[illegible] it is significantly chea[illegible] a rights issue."

Trump cards



IF YOU are a customer of Midland Bank you ought to know that your bank manager has been asked to decide whether you are a "customer of undoubted financial standing."

Likely as not the answer will be no and you will not be invited to pay £40 for the privilege of owning Midland Bank's Gold Mastercard which has just been launched into the "snobbier" end of the credit card market.

Over in America, the word is that rising young executives are falling over themselves to get their hands on this ultimate status symbol which is only given to the top 5 per cent of the nation.

Mr Russel Hogg, the chief executive of Mastercard, which have linked up with Midland Bank, likens the Gold Mastercard to a Rolls Royce. "You do not throw stones at it: you aspire to own one." He firmly believes that when you see your neighbour using a gold card your immediate reaction will be "Gee, I would like to have one, some day."

While Midland Bank is not quite so effusive, its management believes that there is a big need for such a product at the top end of the market. Lloyds Bank launched a similar card in conjunction with American Express over a year ago, and has already signed up close to 20,000 cardholders.

The gold card offers various "financial products" but its key features, besides its colour, are the fact that a holder can borrow up to £6,000 immediately (£7,500 in the case of the Midland Bank card), obtain cash around the world and there is no pre-set spending limit.

Midland says the primary aim of its new gold card is to maintain and improve its share of the "vital segment of the banking market which the more affluent customer represents."

This may be true, but both Midland and Lloyds Bank risk offending those customers of "undoubted financial standing" who do not qualify for gold card status.

In Lloyds Bank's case, applicants must have a salary of around £30,000 a year and Midland Banks' managers are being advised to sign up those with a minimum salary of £20,000 or property owners' equity of at least £80,000.

Both banks are anxious to stress the unique and prestigious nature of their cards. Midland hopes to issue 25,000 cards in its first year and perhaps build up to 150,000 cards.

There is not much to choose between the two cards although the Midland gold card has the edge. Both offer maximum interest rates of 2½ per cent on their overdraft facilities. At Midland gold card holders can draw up to £1,000 a week from the bank's cash dispensers, while Lloyds limits its customers to £100 a day. Midland offers £100,000 of free travel insurance when purchasing travel tickets compared with £70,000 at Lloyds Bank. In the case of the Lloyds/Amex gold card it is accepted in 500,000 merchant outlets compared with 3.6m Mastercard outlets.

William Hall

John Makinson reports on Robeco

The view from Rotterdam

THE DISCREET and cautious Dutchmen who run Robeco, Europe's biggest investment trust group, are not given to making Delphic pronouncements about prospects for the world's stock markets. But the admission that their funds are fully invested suggests that they expect the recovery which has set in since the end of September to continue.

The Robeco group comprises four trusts, all of which are invested internationally. The idenity of the shares holders is often shrouded in mystery because the certificates are in bearer form. But it is a fair guess that the Dutch themselves are still the most sizeable investors in Robeco.

The largest of the four is the original Robeco fund, a broadly based equity investment trust with net assets of around Fl 5bn. Rolinco is an equity fund specialising in capital growth stocks, while Rorenio is an international fixed-income fund and Rodamco a vehicle for property investment.

Mr Willem Engelberts, a managing director of Robeco, bases his optimism on the possibility of a further decline in short term U.S. interest rates. He believes the fall in UK rates will be more measured and is therefore a net seller of gilt-edged, preferring the U.S. bond market.

He is also cautious about the British equities. The Rolinco and Robeco funds have both reduced their exposure to London this year. Buying has been confined to a few "technology" stocks including United Scientific Holdings and British Aerospace. Robeco did not apply for shares in Cable and Wireless.

The caution towards London extends to all other European centres. Europe as a whole now accounts for only about a quarter of the Robeco fund and less than 20 per cent of Rolinco. West Germany which once represented around 10 per cent of Rolinco, has since fallen to 2.6 per cent.

Like many other investment trusts, Robeco caught a cold in France earlier this year but is now buying a few stocks for recovery. And, in the Netherlands, even patriotism will not induce Robeco to increase its holdings of domestic shares.

The Robeco funds remain very heavily invested in the U.S. and Mr Engelberts has no intention of reducing the overall level of holdings. Robeco benefited strongly from the appreciation of the dollar against the guilder in the past year and, while these currency gains are unlikely to be repeated, Mr Engelberts believes the comparative resilience of the U.S. economy market in the face of very high interest rates is a bullish indicator for the equity market.

But the area of the world which inspires most enthusiasm in Robeco's Rotterdam offices is the Far East. Japan alone represents 19 per cent of Rolinco—more than the whole of Europe put together—and the funds also have smaller investments in Hong Kong, and Singapore.

A few months ago Rolinco took profits on several high-flying Japanese blue chips—capital gains were realised on Fujitsu, Hitachi and Toshiba among others. But the group has not lost its faith in the Tokyo market. It has reinvested some of the proceeds in more cyclical stocks, like the steel company Nippon Kokan, and is waiting for the right opportunity to move back into electricals.

Rolinco is still attracted by energy stocks and is strongly represented in Australia. But it now looks at these holdings as defensive in character, suggesting that the spectacular resource stock gains of 1979 and 1980 are not expected to recur. Rolinco is buying pharmaceutical and electronic companies but is otherwise steering clear of consumer-oriented stocks. The price of its shares increased by 44 per cent in the year to August 1981, so for the moment, at least, the strategy seems to be paying off.

New golden chance

ONCE AGAIN the Royal Mint is asking numismatists to dig into their pockets and come up with some ready cash. This time the Mint is selling £5 proof gold coins for the tidy sum of £550 apiece. At current gold prices the straightforward melt down value of the coin is around £300.

Should coin collectors beat a path to Llantrisant, the Mint's Mid-Glamorgan headquarters in search of these coins? Mr Stephen Mitchell at coin dealers B. A. Seaby, said "for collectors who are looking for a £5 gold piece to complete their sets this is a reasonable buy as they could not get an equivalent coin any cheaper."

Seaby's current catalogue includes a single £5 gold coin separated from its original set issued a year ago and priced at £900. A George VI 1937 £5 coin may be found for around £1,000 in good condition while the more common Victoria Jubilee pieces are priced at between £800 and £900.

HOW EARLIER ISSUES OF COIN SETS HAVE FARED

Date minted	1970 price	1981 price
1902	£300	£2,000
1911	£500	£3,500
1937	£320	£2,100

Source: Sotheby's

Apart from those collectors who have a hole in their collection, is this a good buy? Here the going is much less certain. Over at Seaby's Mr Mitchell has reservations due to the size of the issue, 15,000 in all, and says he would recommend people to "put their money into a more proven collector's item not subject to specific mintage."

At Sotheby's Mr Michael Naxton, director of the coin and metal department, is more enthusiastic. "I think they will sell very well indeed," he said. "There has been no single gold £5 coin available to the public featuring Queen Elizabeth II in the past so this is the first opportunity the public will have to buy one."

R.B.

CHESS

Cold war of two Ks

LEONARD BARDEN

THIRTEENTH game of ... world chess championship ... ramo provided a dramatic ... controversial highlight of ... match so far. It took place ... background of increased ... between the grand- ... following Korchnoi's ... recovery from his cata- ... start of three defeats ... first four games. ... there were his protests ... directly to Karpov—about ... about swivelling in his ... and even (to the arbiter ... Karpov's hearing) about a ... offer by the champion "in ... many words." Korchnoi is ... wearing the reflective ... which he abandoned ... in the series, and has ... taken to wandering off ... to study the demonstration ... when it is his own turn to ... Not so long ago the ... hot-Spassky match al- ... foundered because of ... noi's own protests when ... adopted this practice. ... not surprisingly, ... complained formally to ... match jury about ... noi's "insulting words." ... jury waved the chess ... equivalent of a yellow card at ... noi and added that any ... infringements would ... penalised by a £4,500 fine. ... last clause proved a mis- ... Korchnoi's lawyer ... protested that it was ... amount to prejudging his ... offence before it was ... mitted. The FIDE President ... the fine clause, and to ... insult to Soviet injury the ... referee, from Ecuador, ... Karpov at the start of ... 13th game about his chair ...

... this background, a grim- ... Korchnoi moved into the ... with a sharper Queen's ... variation than earlier in ... match. He went for Karpov's ... ignoring weak squares in ... own game. How the play ... be interpreted is still a ... for debate. The Korchnoi ... is that it is the most ... important game of the series: the ... view is that Karpov ... a table-turning resource ... decisive moment. Perhaps ... are both right.

White: V. Korchnoi

Black: A. Karpov

Queen's Gambit (13th match game 1981)

... unusual artificial castling ... the point is that against ... Black has P-KR4; 12 ... N-K5 and the king can ... exposed, so that the ... KR is best left on its ... original square for the time ...

... 0-0; 12 K-N2, R-B1. ... R-QB1, R-K1; 14 PxP (now ... Korchnoi exchanges, with use- ... control of the central dark ... squares), BxBP; 15 N-QN5, ... 16 KN-Q4, NxN; 17 RxR, ... 18 PxN (normal is 18 ... blockading the isolated ... but White looks for ... with his pair of bishops), ... 19 N-B7, R-B1; 20 NxB, PxN; 21 R-K1, P-QR3; 22 P-N5, N-K5!

Karpov avoids the passive N-K1; 23 Q-N4 and instead offers a pawn for counterplay (23 BxN, PxB; 24 RxP, Q-Q4).

23 Q-N4, B-N5; 24 R-K2, R-B1; 25 P-B3, Q-KB2! (more active defence); 26 B-K5, N-Q7; 27 P-QR3, NxP (so that if 28 PxB, N-K8 ch!); 28 P-N6! PxP; 29 B-N3, B-K2?

The Russians give N-R5 ch! *when if 30 QxN, Q-B8 ch or 30* BxN, Q-B8 ch; 31 K-R2, B-Q3 ch; N-B6 ch; 31 K-R1, N-R5 with a draw.

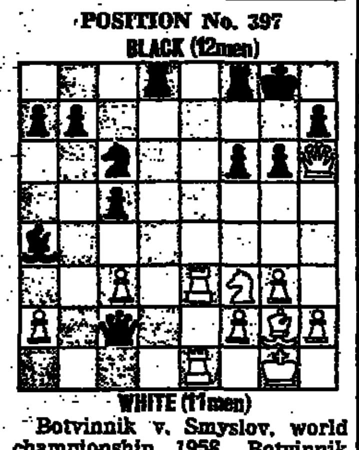
30 R-KB2, N-K8 ch; 31 K-R1 (suddenly Black loses material, for if Q-K1; 32 RxR ch and 33 BxN), QxR; 32 BxQ, NxB; 33 QxP ch, R-B2; 34 B-N3, NxP; 35 QxQP, B-B3; 36 B-Q6, P-KN4; 37 Q-N8! (a fine finish. The offside knight is the target), BxP; 38 Q-K6, P-KN3; 39 Q-K8 ch, K-N2; 40 B-K5 ch, BxB; 41 QxB ch, K-R2; 42 *QxN, Resigns.

Black can still try to establish a "fortress draw" with rook on KB4 and pawn on QR4 to keep out White's king, but it fails. White will (a) capture the QNP (b) bring his queen to Q7, confining the black king to the back row (c) advance his king to KN4 and (d) play QxR *and then eat up all the* black pawns with his king in the pawn ending.

Korchnoi celebrated this victory with a press conference held on the anniversary of the Russian revolution. He again attacked Soviet officials and Karpov personally for the absence of exit visas for his wife and son: "in every game Karpov has two pieces more." *Sovietsky Sport* published the details of Karpov's defeat, plus a two-column commentary, in its revolution anniversary issue, without mentioning Korchnoi's name once apart from the heading to the moves. Karpov made his own reply when he won the 14th game to take a 4-2 match lead.

POSITION No. 397

BLACK (12men)

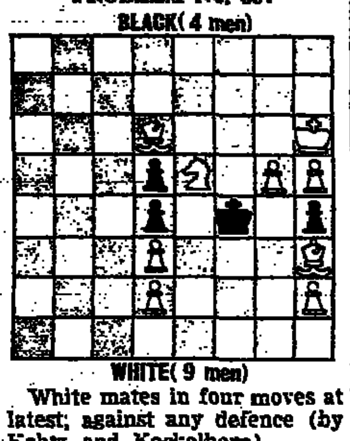


WHITE (11men)

Botvinnik v. Smyslov, world championship 1958. Botvinnik (White, to play) went 1B-R3. What did he miss?

PROBLEM No. 397

BLACK (4 men)



WHITE (9 men)

White mates in four moves at latest; against any defence (by Kohtz and Kockelhorn).

Solutions Page 12

BRIDGE

E. P. C. COTTER

... WRITE, I see that Britain ... leading in the Bermuda ... with Poland second, and ... U.S. third. I will wait until ... World Championship is over ... I discuss hands played ... British players.

... say I will start with this ... which caused bidding ... problems for many teams. South ... the dealer, and North-South ... vulnerable:

... North-South pairs reached ... clubs, which had no chance ... success after a heart lead: ... one table, with the ... Americans sitting North-South, ... bidding was opened by ... with a conventional two ... and West came in with ... hearts. After two passes, ... opener said three clubs, ... North raised to four, ... and now South tried four ... This was raised to ... diamonds, which became ... final contract.

... chose the spade Queen ... opening lead, and this ... taken by the Ace. It is ... that declarer can cross to ... club King, take a finesse in ... then drop the King, ... establish clubs to make 12 ... but that is hardly the ... intended line. In actual ... South cashed the diamond ... and the spade King, and ... led a trick to East's King ... When East led the ... five, South won, and at ... returned his other heart ... with the Queen. West ... ched to the spade Knave. ... declarer ruffed in hand, and started to do his homework. From the hearts produced by East, South decided that West had started with seven hearts, and he had produced two diamonds and three spades. Therefore, he could not hold more than one club. Crossing to the club King, South led back a club, finessing the Knave, and the contract was fulfilled.

In this deal also the declarer acquitted himself well:

N.

♠ K 9 3 2
♡ 10
◇ A 10 3
♣ K 6 5 4 3

W.

♠ J 8 6 5 4
♡ A 8 5
◇ Q J 4 2
♣ J

E.

♠ Q 10
♡ K J 7 4
◇ 9 7 6 5
♣ Q 10 8

S.

♠ A 7
♡ Q 9 6 3 2
◇ K 8
♣ A 9 7 2

North dealt with East-West vulnerable, and in one room Indonesia reached six clubs, which failed because the clubs broke 3-1.

In the other room South opened the bidding with one heart, and North replied with two clubs. The opener raised to three clubs, and North bid an intelligent three diamonds, which encouraged South to try three no trumps.

Winning the opening spade lead with his Ace, the declarer played Ace, King, and another club, West discarding a spade and a heart. Taking the spade return on the table, the declarer, who had carefully unblocked the clubs, played two winners in the suit, on which each defender parted with a diamond and a heart. Now the ten of hearts was run to West's Ace, and West, who was in some trouble, led back the Knave of diamonds.

At this point the declarer decided that West had started with a 5-3-4-1 pattern. In that case each defender now held three diamonds. Therefore, if South cashed Ace, King, and another diamond, whoever won the third trick would be forced to set up the declarer's ninth trick, *either in hearts or in spades*.

Excellent judgment, which reaped its just reward.

PROPERTY

Cash bargains

BY JUNE FIELD

WHAT ARE estate agents doing about what has been called the soft market in home sales? Not that business can be that bad, as several firms are opening new offices, and some negotiators are setting up for themselves. And the bargains are there for those with cash in hand or the necesary standing to take on bridging finance —the drop in the base rate this week, although small, is added incentive, particularly in the country house sector, where prices are the lowest for years.

While most agents agree that things are fairly slow-moving, sometimes even static, with substantial reductions the order of the day, it is just not true that the market is collapsing, or that there is a gigantic price-slide, insists Mr Bernard Gordon, partner in Druce and Company, with four major London offices. "Obviously with so much choice, property is taking longer to sell. And certainly it is up to agents to *make a meaningful contribution* to woo buyers to their stock."

To get things moving on a block of 28 apartments in Salcombe Lodge in the southern boundary of Hampstead Heath, Lissenden Gardens, NW5, Druce's together with joint agents Philip Phillips of Stamford Hill, have come up with the idea of £2,000-worth of Habitat goods as an incentive. "We feel this free furnishing offer, together with the carpets already included in the asking prices—£56,500 to £78,000 for two or three bedroom balcony units—is a worthwhile sum." Brochure including sketch lay-out of the apartments and garages from Mr Gordon, Druce, 1 Heath Street, London, NW3 (01-431 1122).

Through its 30 branches in Essex, Hertfordshire, North and East London, Bairstow Eves have launched a £120 repayment scheme over six months to any purchaser who buys a property on their registers priced up to and including £35,000, by December 31. The scheme is mainly subsidised by vendors, as most of the money comes from the amount they forgo by not taking the discount normally offered for sole agency. As the commission rates vary throughout the offices (approximately 2 to 2½ per cent), as does the discount, which is by negotiation, the best illustration associate director Mr Trevor Hughes could give was: "Say on a £25,000 sale, commission was £537.50. A rebate for giving us sole instructions might have then been negotiated at £80 odd. Instead of which we would pass on that amount to the buyer, making up the figure to £120."

For full details, together with an excellent illustrated property magazine listing properties in Finchley, N3, from £28,750 for a two-bedroom apartment, to period cottages around Ipswich from £36,000 and an elegant Georgian country house at Bradwell-On-Sea at £235,000, contact Mr Hughes, Bairstow Eves, 219, Chingford Mount Road, Chingford, London E4 (01-524 1716).

One thing that recession has forced the profession to do is to take a long hard look at their image. Several writers in the current issue of *The Estate Agent*, journal of the National Association of Estate Agents, tell its members quite bluntly that "no one could claim that estate agency, as at present *practised, is efficient," and that* "if estate agency were brought up to date, and not still based on historic nostalgia for an out-of-date concept, then things would surely have changed significantly before now."

Higher fees to cover abortive work, and multiple listing (where you instruct one agent of a group to get greater coverage, but only pay one commission, which they have to share), are two suggestions towards a more efficient service. Although as one writer comments, "there is a natural reluctance of agents to multiple list any property where they believe they are going to sell it themselves, hence the system will never distribute the cream."

That leaves computerisation, and in a report on the use of computers in residential agency, Mr Bill Gregory, marketing director for PACT (Property Agents Computer Team), lists the improvements that both public and agents can expect. They include greater choice of property, greater accuracy of details with immediate updating, and more background information on the whole business of buying and selling—larger pools of comparable property, both current and archive for more precise valuations, plus an analysis of buying costs and availability of finance.

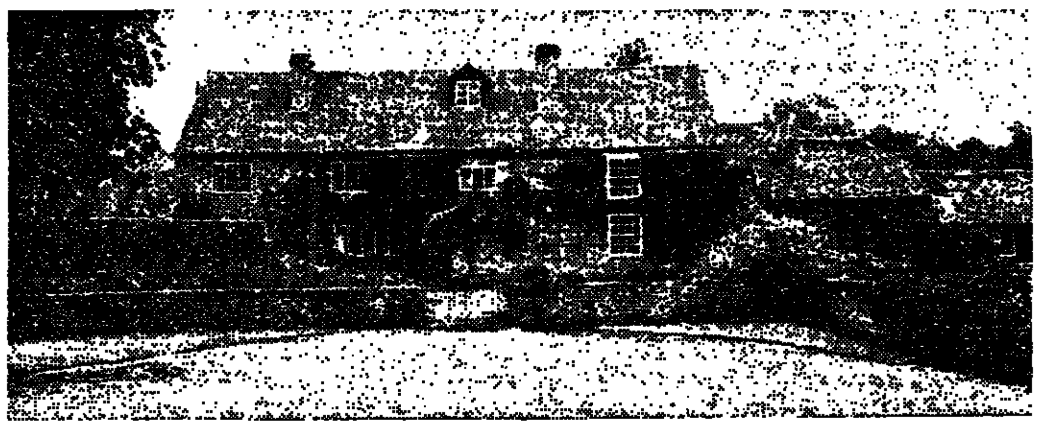
For the agent there is the ability to isolate hot prospects from time-wasters, and to release staff from routine chores to give them more time for personal service and selling. An almost frightening benefit is what Mr Gregory calls "the life-cycle market—the ability to store and memorise the complete family requirements from the first time they think about buying their first home, until their executors are disposing of their last, taking in on the way the new life-cycles created by their children."

But as it is admitted that to date few United Kingdom estate agents have introduced computerisation, and there is still a long way to go before we all have access to a portable terminal or viewdata, full weekend viewing is still high on the list of what the public want.

Mann and Company, with its 80 offices covering Surrey, Hampshire, Berkshire, Middlesex and Dorset, have just opened a new Sunday Viewing Centre at their Weybridge office. Manager Mr Hugh Matthews told me that some 45 appointments to view were made last week, out of which five "reasonably firm" subject-to-contract sales had resulted. "With fresh property coming on the market now so much more realistically priced, there are serious buyers about. And most people have been realising that if they wanted to sell and complete before Christmas, they had to start off with a sensible asking price, not go in for the old ploy of testing the market first and gradually coming down on their original figure."

Mr Simon Masters of Mann's Country House department, where prime properties range from £100,000 to about £350,000, reports that higher-bracket buyers appear to be taking this period of moving interest rates in their stride. "Nevertheless, those in this category do not go into the matter of moving, lightly. They will already be living in a quality home, and will be looking for some sort of investment value in the next. And as an active, successful person, probably a managing or finance director of a large company, he or she will have the status and income to command a hefty bridging loan if necessary." For details of properties contact Mr Masters, or Mr Matthews at 7/9, Baker Street, Weybridge, Surrey, telephone Weybridge 41421, or Weybridge 42323 for Sunday viewing enquiries.

Offers in the region of £100,000 will buy this 8 bedroom, 3 bathroom mid-Victorian home, Merryfield House, Ilton Ilminster, says the agents Humberts, 17 Hammett Street, Taunton, Devon, and Jackson-Stops and Staff, 30 Hendford, Yeovil. The house, built of local Hamstone under a slate roof, with stone mullioned windows, is in 2½ acres of well-landscaped gardens including specimen trees.



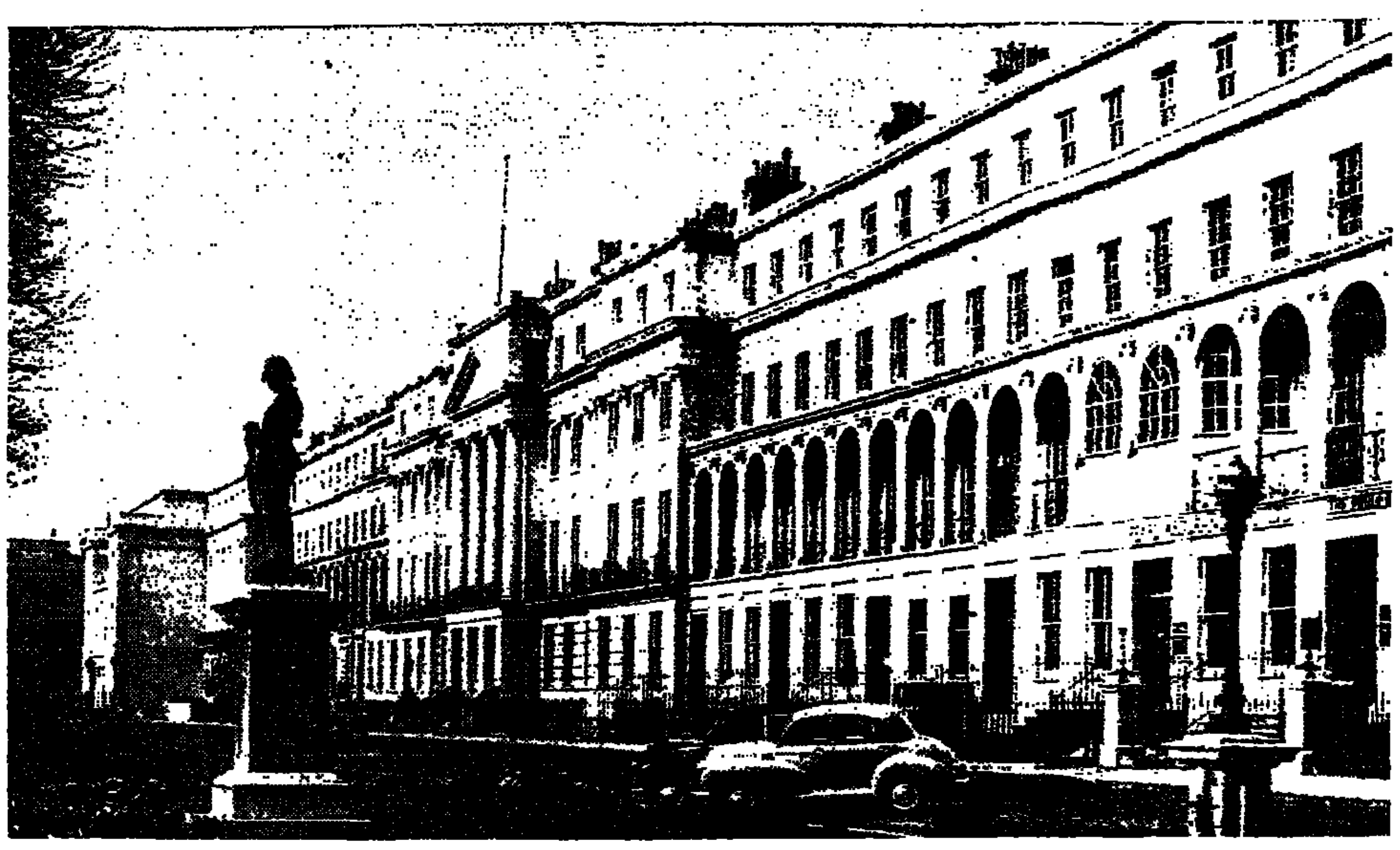
Rye Farm, in 15 acres near Cranleigh, Surrey, 10 miles from Guildford with its fast train service to Waterloo, includes a 17th century 6 bedroom, 3 bathroom house with staff quarters, swimming pool, tennis court, paddocks, period barns and other farm buildings. Price £250,000. Illustrated brochure from Mr Simon Masters, Mann and Co., 7/9 Baker Street, Weybridge, Surrey, where a new Sunday Viewing Centre (Weybridge 42323), complements their existing six-day-a-week opening.

'No flannel'

MR ROBERT HOBART and Mr Roger Slater, from the closed-down Harrods Estate Agency, have formed their own Hobart Slater Partnership to deal with properties in Central London. "We offer a realistic assessment of your property with no flannel," the partners insist. Their offices in Cheval Place, SW7, are open 8.30-6 weekdays, 9-1 Saturdays; Sundays and evenings by appointment (01-581 3094). Currently on offer they have a two-bedroom apartment at Chelsea Embankment (£69,500 for a 65-year lease to include carpets and all kitchen appliances, plus £27,000 mortgage if required), an apartment in Hyde Park Gardens, £87,000, and a Knightsbridge penthouse £130,000. Harrods' Haslemere, Surrey, office has been taken over by Jackson-Stops and Staff, which now brings the total of their offices to 12.

LEISURE

A tale of three Cotswold towns



The Promenade, Cheltenham: last bastion of curr led colonels and warrant officers wearing regimental ties

"TROUT," the receptionist at the Carlton Hotel, Cheltenham, said. "That's it—trout. Why don't you make a detour and call at the trout farm and take some back to London? You can even watch them catch your trout." A whisper from my wife, out of the side of her mouth—"There's a trout farm in Paddington."

We had just spent a few days in the Cotswolds and were discussing a last look around before driving back to London. We had already clashed over Gloucester cheese, a large lump of which I wished to take home with me. That whisper again—"We can get it at Harrods."

So we returned to London troutless and cheeseless, didn't call at Paddington or Harrods and dined off a mushroom omelette and salad. But I did insist on breaking the journey for a last look at Tewkesbury's Bloody Meadow, where the Yorkists thrashed the Lancastrians on a very wet wicket in 1471. It wasn't exactly Headingley, but we Yorkshiremen must live on our memories these days. (My wife, by the way, was a Lancastrian before her native Liverpool was lost to Merseyside in the boundary changes.)

TRAVEL

ALAN FORREST

I tell the above story only to illustrate the delights available during a short break in the Cotswolds. They are my favourite retreat south of the Trent—not only trout and cheese, but the almost-luminous yellow-grey stone, the rolling hills and lively market towns, even the little cider houses where you sit and wonder how the farm workers can sink pint after pint of the awful stuff.

But when the sun sinks I'm a townsman. I want the bright lights, a theatre, a meal in *civilised surroundings. Scenery* becomes boring when you can't see it, and that's why I'm concenrating this article on three towns the holidaymaker can use as a Cotswold base—Cheltenham, Cirencester and Tewkesbury.

At the top of my list is Cheltenham. My first visit was about five years ago when I discovered Forrest's Wine House (no relation) lying in Imperial Row just off the Promenade and which is one of my top choices for good reasonably-priced food in the southern half of England. The name, plus the fact that they offered something mysteriously called a Continental Ploughman's Lunch drew me there. This dish involves a splendid collection of sausages instead of the often boring pub cheese.

Above all, Cheltenham is good for the visitor without his own wheels. Bus connections all over the area are good and taxis don't cost a fortune. The town has two theatres, three cinemas, two arts festivals a year, a lot of good restaurants, Britain's leading National Hunt racecourse and though bits of the New Barbarism have crept in, most of its elegance is preserved. Of 18th-19th century towns, Bath is too much of a good thing. Brighton is a crumbling tart, but Cheltenham seems to me just right.

Once I could have recommended a stay at The Plough, *but that famous old coaching* house, with its associations with the great Duke of Wellington, is closing its residential section, a sad thing for Cheltenham. The splendid Queen's—which claims to have been Britain's first hotel (after the age of inns)—must be considered. But give it a miss on big race days if you don't like the Irish.

The town is much more than the last bastion of curried colonels and their ladies, although you do see a lot of regimental ties around the *Promenade, worn mainly by ex*-warrant officers, I was reliably told by a friendly retired brigadier over a glass of port at The George. He wasn't wearing one. The Promenade is still one of the finest shopping streets I know and provides a splendid young man's ogling point for Cheltenham Ladies' College.

I have a soft spot for Cirencester, too. My first visit there was rather privileged, accompanying author Eva Figes and a party of schoolchildren in a coach from Cheltenham. Ms Figes arrived in Cirencester in 1940, a German Jewish refugee child, and she was taking us on a sentimental journey. Her book, Little Eden, tells it all.

I suppose, with Ms Figes as guide, I may have got off on the wrong foot at Cirencester. Her recollections are of a place locked in a pre-war class structure, local tradesmen standing out in the rain as the local ladies gave their orders from the shelter of motor-cars, the locals defending the continuation of foxhunting even with the threat of a Nazi invasion anytime, and the Bathurst family still ruling in a kind of 18th century splendour.

But it has been a town of contrasts. It thrived on noblesse oblige and forelock touching, but supported Parliament in the Civil War. It may have been *servile*, but it is *sturdy* and independent, too. The Bathursts have given it a lot, including the excellent museum with its Roman relics. Their great house, The Park, is one of the sights of England, and visitors can wander in the grounds. The old Cirencester hasn't completely vanished, but today it offers good accommodation, food, efficient services—and a quick trip to Tetbury to spy on the Prince and Princess of Wales.

"We're the real capital of the Cotswolds," a local told me. Cheltenham's just another town. This is the finest country town in England—and you can never understand the Cotswolds unless you stay a couple of days in your money and you takes your Cirencester." Well, you pays choice.

Some people argue that Tewkesbury isn't in the Cotswolds at all. Certainly, the Ward Lock Red Guides for the Cotswolds and the Shakespeare country doesn't include it. But Tewkesbury obviously doesn't agree. For example, I've never been offered so many clotted Cotswold cream teas in one high street.

It is a delightful town of half-timbered mediaeval buildings, the beautiful abbey going back to Norman times, the museum commemorating John Moore (author of the Frensham Village stories) and the point where the Rivers Avon and Severn meet, offering good boating weekends.

Tewkesbury is an antique-*shop browser's paradise*. So is Cheltenham in many ways (and the local council will provide visitors with an excellent guide to antique shops), but Tewkesbury is something special, its best shops concentrated in one small area, which allows a visitor to let his wife browse while he imbibes without fear of her getting lost in the river.

One tip for would-be buyers—don't expect too many bargains, either in Tewkesbury or anywhere else in the Cotswolds. The bergains are there, but they have to be sought. After a hard day's bargaining, I recommend a cream tea at The Ancient Grudge restaurant (the name is something to do with the Wars of the Roses). The young waitresses wear period costume, but are anything but museum pieces.

In most of the areas I have mentioned, mini-breaks at cut-prices can be booked. Even in midwinter, I can't think of a better way of recharging the batteries.

GM to win by a nose?

Favourites for Car of the Year 1982 award. The Renault 9 (top) and Vauxhall Cavalier SR are the sportiest versions of all-new front-wheel drive saloons

WINNING the international Car of the Year award is no guarantee of success in the market place as Rover, who won it with the 3500, Porsche (the 928) and Lancia (the Delta) will confirm. None, despite intrinsic merit, has done as well in the sales charts as the maker had hoped, indeed expected. Yet cars that were voted into second place—the Ford Fiesta and Opel Kadett, to name but *two—have sold like hot cakes.*

The publicity value, though, is enormous. The winner, chosen by a jury of 44 motoring writers—I am not among them—receives media exposure worth millions. Car makers relish the thought of getting something for nothing as much as you and I do.

So which maker is going to win this year? Under starter's orders are the BMW 5-Series; Datsun Laurel; General Motors' J-Car—the Opel Ascona/Vauxhall Cavalier; Renault 9; Talbot's Tagora and Murena; Toyota Cressida; and the VW Polo, Passat and Scirocco.

Three notable absentees are the Datsun Stanza, the Mercedes 380 and 500 coupés and *the Porsche 944*. All were unveiled at Frankfurt in September but have not yet gone on sale in sufficient quantity to qualify for consideration as Car of the Year 1982. They will be eligible next year.

The Datsun Laurel, Talbot Tagora and Murena and Toyota Cressida can be eliminated. Don't misunderstand me; there is nothing wrong with them, but they are not the stuff of which Cars of the Year, or even runners-up, are made. Volkswagen, whose range is now Europe's best, have extensively changed the Polo, Passat and Scirocco in the past year. Neither Passat nor Scirocco will win, though the Polo has an outside chance.

MOTORING

STUART MARSHALL

The BMW 5-Series won't be first past the post, either. It is a great advance on the previous model—faster, more economical, lighter yet safer, roomier and more refined, with some sophisticated electronics. But it needed more restyling to make is a serious Car of the Year contender.

Which leaves us with the joint favourites — the General Motors J-Car and the Renault 9.

The GM car, sold here as the Vauxhall Cavalier but elsewhere in Europe as the Opel Ascona, is a car that might replace the Cortina as the fleet buyer's first choice if only Vauxhall had the production capacity and marketing organisation. It has front-*wheel drive, comes as two-door* or four-door saloons, or a five-door hatchback, with 1.3 or 1.6 litre engines of advanced design and four-speed manual or three-speed automatic transmissions.

The early production samples I tried briefly were patchy in quality. One 1.3 made so much tyre noise as I drove along the A4 at Heathrow I thought a Jumbo was taking off: another 1.3 barely whispered on an identical set of Uniroyals on the same road.

Like all German cars (the Vauxhalls are assembled here mainly from German components) the Cavaliers thrive on work. The 1.3 and 1.6 litre engines stay sweet however *fast they are spinning*. Handling is disciplined and undemanding even when the Cavaliers are hard driven. The ride is flat, the rack and pinion steering precise and the rear seats hardly less comfortable to travel in than the front ones. The Cavaliers promise to be most economical—the larger engined 1.6 even more so than the 1.3.

The Renault 9 must be the most significant new French car for years. Its body is a four-door, three box saloon without the option—and this from the maker that almost invented the hatchback. There are four engines, from a 1.1 lire of 46.5 bhp to a 72 bhp 1.3 litre, four and five speed manual and three speed automatic boxes and six trim [...] Equipment options [...] central locking, electric [...]dows and air conditioni[...] on cars that seem likely in the £4,400 to £5,0[...] price class when they [...] sale here in March.

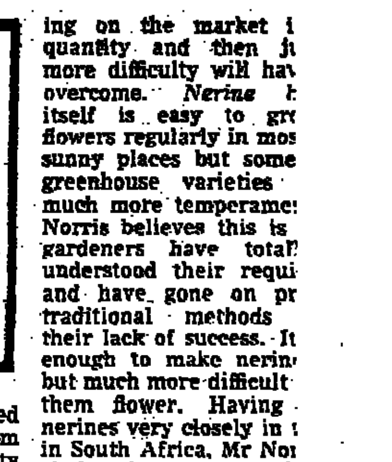
When I tried the [...] France some time ago I t[...] it looked and drove mo[...] a German car than a Renault. The seats and [...]sion were taut, it rolle[...] when cornered hard ye[...] comfortably on bad ro[...] was quiet at speed [...] autoroute—especially wi[...] five-speed gearbox, which [...] of the best of its [...] Renault say the R9 is [...] per cent thirstier than t[...] one of Europe's mos[...] efficient cars. It must [...] potential best seller.

So who will win? I th[...] GM J-Car will, but onl[...] nose from the Renault [...] why? Because the Brit[...] German members of the [...] will identify with the Va[...] Opel. It would, in an[...] be a worthy victor. [...] believe, will be the Polo that I would put the [...] Series in fourth place [...] VW Passat in fifth.

The others, I fear, [...] well back in the fiel[...] Murena sports coupe m[...] be leader of the also ran[...] for its galvanised stee[...] and glass fibre reinfor[...]tics body, which should [...] almost everlasting. [...] great fun to drive.

I've never heard of b[...] Car of the Year, but [...] catches a bookie's [...] wouldn't mind backing [...]ment with a bob or tw[...]

African ornamentals



I HAVE frequently remarked on the considerable role played by amateurs in the advancement of useful races of ornamental plants. One of the most successful was the production by the Hon Louis Palmer of the hardy varieties of African lily or agapanthus which have for a good many years been marketed as the Headbourne Hybrids. He had noted that agapanthus species could be divided into two groups, one of which retained its foliage throughout the year and the other which lost its leaves in autumn and remained dormant until spring. The evergreen kinds were all at risk in our cold winters but the winter dormant species were considerably hardier and could be grown outdoors in many places. Using some of these species, and particularly *Agapanthus campanulatus*, as parents he embarked on a programme of breeding and selection resulting in the Headbourne Hybrids which are now grown outdoors in Britain in all but the coldest localities. They have justly become very popular summer flowering border plants.

Another African genus, nerine, almost exactly parallels this peculiarity of agapanthus. Some species make all their growth in spring and early summer, flower in autumn without any foliage and then remain leafless until the spring whereas others retain their leaves all winter and only become dormant for a while in summer. The well known *Nerine bowdenii* belongs to the first group and it will survive a lot of frost, as low as 12 degs F according to some experts and, provided the bulbs are well covered with soil, it and its like are suitable for cultivation in sunny sheltered places outdoors in many parts of Britain. By contrast the nerines that are in leaf all winter are more tender and most must be grown, at any rate from October until April, in a frost proof greenhouse or similar controlled climate.

Nerine bowdenii has exceptionally fine clusters of flowers, but suffers the drawback that they are usually rose-pink, though pale pink and white varieties do occur, whereas the greenhouse varieties bred from *N. sarniensis*, *N. pudica* and other species have a far wider range, extending to scarlet, purple, many shades of pink and white. It would seem a fairly obvious thing to cross-breed these tender kinds with the hardy ones in the hope of producing new races that are both hardy and have a good colour range, but in these matters things are rarely as simple as they seem, and incompatibility between species limits what can be done. A few crosses have been made and a very fine rose pink one named Hera actually received a First Class Certificate from the Royal Horticultural Society as long ago as 1920. However, it remains a scarce plant despite its great vigour, and bulbs still cost around £5.00 each.

So progress has been slow, commercial growers have remained uninterested and the only hardy nerine freely available has continued to be *N. bowdenii*. It was therefore with astonishment that, when visiting the garden of Mr C. A. Norris at Welland near Great Malvern, I found hundreds of *Nerine bowdenii hybrids of his own* making, many of them winter dormant and collectively covering a colour range almost equal to that of the greenhouse nerines.

GARDENING

ARTHUR HELLYER

It is too early yet to say how many of these new varieties will prove to be really hardy and suitable for outdoor cultivation, but it seems highly probable that some must be. As yet, Mr Norris is not offering any of these varieties under name, though he is selling mixed seedlings as well as older varieties and hybrids such as Hera, Blush Beauty, Pink Triumph, Fenwick's Variety and Manina, the last a nearly white form of the species found growing wild in South Africa.

One of the problems with nerines which has made them unpopular with nurserymen is that they increase slowly by natural multiplication of bulbs. Seed provides a faster means of increase but seed from hybrid plants gives unpredictable results and in any case seedlings take several years to make flowering bulbs. So selected varieties must be increased by vegetative means and here science is coming to the help of the gardener with new techniques of tissue culture.

It is likely that in a year or so the new hardy nerines as well as improved varieties of the tender ones will be appearing on the market i[...] quantity and then [...] more difficulty will ha[...] overcome. *Nerine b[...]* itself is easy to gr[...] flowers regularly in mos[...] sunny places but some [...] greenhouse varieties [...] much more temperame[...] Norris believes this is [...] gardeners have total[...] understood their requi[...] and have gone on pr[...] traditional methods [...] their lack of success. It [...] enough to make nerin[...] but much more difficult [...] them flower. Having [...] nerines very closely in [...] in South Africa, Mr Nor[...]cludes that most speci[...] in extremely poor an[...] porous soil and tha[...] bulbs are always well [...] as protection from [...] winter and heat in sum[...] grows most of his own [...] in a mixture of from [...] three parts acid sand [...] part of peat but somet[...] even omits the peat a[...] pure sand. To every [...] large buckets full [...] spartan compost he ad[...] of sulphate of potash, [...] superphosphate of lim[...] 2 ozs of magnesium li[...] He never gives any [...] which he says produces [...] at the expense of flow[...] encourages rot.

The reason so many ga[...] are successful with [...] *bowdenii* is because th[...] of the few kinds th[...] tolerate normal garden [...]

As to moisture th[...] should be to water free[...] the plants are in leaf, ve[...]ingly when they are leaf[...] never allow them to [...] completely. Mr Norris [...] most of his plants in [...] boxes standing on deep [...] moist sand in which th[...] level can be controlle[...] from which the nerine [...] draws water by capillar[...]tion. I have never seen [...] looking healthier or fl[...] more freely.

Mr Norris began as [...]plete amateur knowing [...] about nerines but as he [...] ever more deeply invol[...] the problems of breedi[...] propagation he has be[...] part-time professional [...] derives his income fr[...] printing works in Birmi[...] to defray the cost and [...] of surplus bulbs. He now [...] a catalogue and sells t[...] order, despatching wint[...]mant varieties between [...]ber and February and [...] dormant varieties betwe[...] and September. Each [...] he also has a few ope[...] when bulbs in flower [...] purchased. It seems [...] that in time the new [...] nerines will become as [...] as the Headbourne Hybr[...] of agapanthus. If so it [...] a dedicated amateur wh[...]eered the way.

HRISTMAS FOOD AND DRINK

food industry always does good trade at Christmas and, in spite he recession expects this year to be no exception. The drinks trade, ever, is expecting a less buoyant season. DAVID CHURCHILL rts.

ustomers stick to raditional fare

STMAS MEANS big ess for Britain's food facturers and retailers. It e time of the year when e spend a greater propor- of their household budget ocking up the freezer and r in preparation for the al days of festivities.

re entertaining is done in ome at Christmas than at other time of the year — his means that demand for is at its highest for all of store. In fact, many rs reckon that a good tmas can more than make r leaner times during the of the year.

en during times of reces- the food trade is not too ndent about Christmas ke the drinks industry h tends to suffer more from economic slump). One re of the recession is that still in employment are ing more and are willing to d. Hence the popularity of enience foods and the will- ess to experiment with con- ital type cuisine.

nce so much is spent on at Christmas, the super- et chains have devoted con- able market research effort stablishing just what foods housewife is likely to buy. result, not surprisingly, is consumers remain firmly itional at Christmas — ough there are signs these of a greater willingness to riment. More are prepared try German food, for nple, as an alternative to traditional Christmas fare.

changed

ristmas, therefore, means t turkey with all the trim- gs, including the most popu- Christmas vegetable — sel sprouts. The turkey is ly always followed by istmas pudding, with Christ- cake and mince pies com- ing the traditional picture. imes have not really nged since Elizabethan days n Thomas Tusser, a famed rder of everyday life at the e, wrote:—

Beef, mutton and pork,
shred pies of the best,
g, veal, goose and capon,
nd turkey well drest;
heese, apples and nuts,
jolly carols to hear,
s then in the country
is counted good cheer."

is not perhaps surprising the Italians at the Eliza- an court established the ian saying about someone is really busy: "He is as y as an English oven at istmas."

rkeys reached England Mexico in the early 16th ury (the name turkey comes its cry of "turk-turk") and ry VIII is recorded as ng eaten turkey on Christ- Day.

w, about four out of every ouseholds buy a turkey at stmas and some 11m are year. throughout each at three-quarters of turkeys are the frozen oven- variety so popular with rmarket shoppers. These es quite often use turkeys "loss leaders" since they know housewives have to buy them before Christmas and so they can be enticed into the store by a low price.

Fresh turkeys usually cost more than frozen birds and their prices are far more erratic, since they depend on supply and demand as Christmas approaches. The clear trend, however, is towards frozen turkeys because of their greater convenience.

The price of turkeys is also to a large extent determined by the availability of chickens, which are the main rival to turkey's popularity on the Christmas table. The demand for geese, ducks and pheasants (all of which, incidentally, the major supermarket chains now stock in their larger stores) is rising but not by such a rate as to seriously threaten the turkey's supremacy.

A more immediate threat to the UK turkey producers has come from allegations of French turkeys being dumped in the UK market because of low prices achieved through government subsidy.

One absentee from the Christmas poultry scene this Christmas will be the "churkey" launched last year in a fanfare of publicity by Buxted, part of the Imperial Group. The "churkey" was not genetic mutation but a small turkey prepared in such a way as to have the convenience of kitchen preparation of a chicken.

Consumers were not amused and the "churkey" was this summer "temporarily shelved" in its present form.

Although the quality and supplies of home-grown vegetables are looking reasonable at the moment, much depends on weather conditions between now and Christmas. Green vegetables will not be as abundant as last year and prices, as a result, are expected to be higher. Mr Mather Mack, chairman of the Fresh Fruit and Vegetable Information Bureau, comments that "last year crops were exceptionally plentiful because of the extremely mild autumn."

Growers report that sprouts are coming on well and quality and prices are currently improving. Cauliflower, though "not as good as last year," now look fine and any shortage of domestic supplies will be made up by imports. There should be plenty of cabbage available, with the January King and Savoy varieties being the best.

The leek crop is looking good, but bad weather can hinder harvesting and an extremely heavy frost can "lock" leeks into the ground.

The carrot crop appears to be about 14 per cent up on last year and, along with other root crops such as swedes, turnips, and parsnips, should be plentiful and of good quality.

Potatoes will be coming from store and over the next few weeks quality should improve. There will be ample supplies, with plenty of large sizes, and prices should be very reasonable.

On the fruit side, apples will not be very plentiful, according to Mr Mack. However, he says there will be "supplies of Cox's traditional Christmas apples such as Egremont Russets, Spartans and French Golden Delicious."

But he does predict that prices overall will be at least 50 per cent up on last year. There will also be a good deal more russeting on fruit than usual due to changes in growing weather but this does not affect flavour or quality, although EEC grading standards insist on a "smooth, unblemished skin" for first class fruit.

European apples will be supplemented by supplies of coloured fruit from Canada and the U.S., although these will be very expensive.

This year's satsuma crop is down by 23 per cent, mainly due to changeable weather conditions in Spain during the last 10 months. According to Mr F. Jose Martinez, UK delegate for the Spanish Citrus Management Committee in London, this shortfall will not be reflected in exports to the UK. "This is due to the increasing soft citrus consumption in the UK, and because the UK is continuing to take an increasing share of the total satsuma exports to Europe. In fact, according to the Fresh Fruit and Vegetable Information Bureau, the UK consumes more satsumas than any other European country with the exception of West Germany.

Supplies, quality and prices of nuts will be variable this year and, according to Mr Alan Southwell, a director of Produce Packers and Merchants, one of the largest nut importers in this country, changeable exchange rates are making the situation even more complicated.

The imports of Brazil nuts in shell will be very small compared with previous years because, according to Mr Southwell, "importers and buyers are nervous as they have lost money in the last few years." The quality of Brazil nuts will be very variable and generally prices will be more expensive than last year.

The usual ship carrying walnuts from China will be arriving this month but this year the top grades will be much shorter and more expensive, owing to droughts in the provinces where the walnuts are grown.

Almonds from Spain and Portugal will be more plentiful this Christmas after the poor crop of the last couple of years, so prices are not expected to be any higher than last year.

Mixed nuts usually include filberts, brazils, hard almonds and walnuts and although they will be a little dearer due to the high cost of Brazils and walnuts. Mr Southwell believes that mixed nuts may represent the best value overall for Christmas. "At least you will be getting the full range of nuts and the price, to a certain extent, will be balanced out by the good supplies of almonds and filberts."

Finally, Christmas pudding sales also run into several millions at this time of the year although no accurate trade figures exist. Market research, however, does suggest that almost two-thirds of all puddings are now bought in shops rather than made by hand in the traditional way.

A Christmas hamper from Duff and Trotter of Wilkinson Street, London, SW8. Their selection ranges from £7.50 to £47.50

A business gift

FOOD AND drink hampers used to be the gift of the wealthy, upper classes — a present from Fortnums or Harrods. Now hampers of all shapes and sizes are available —even the milkman sells them—but it is primarily the business gift that forms the bulk of the market.

Practical

The advantage of a hamper is that it combines taste and style with practicality. It also enables the business recipient to bestow graciously the odd bottle of claret on his secretary while the smoked salmon and caviar are taken home.

Fortnums is still the most popular choice for dispatching hampers — its selection ranges up to £1,000. Harrods offers a bakery hamper in a wicker basket for £30, a cheese and wine hamper for £33, or a cocktail basket for £50.

The Hamper People of Strumpshaw in Norfolk offer hampers from £8.03 to its Aristocrat Hamper at £551, but gives substantial quantity discounts. The Clipper Tea and Produce Company are another up-market hamper company.

More down-to-eath food gifts are offered in most supermarkets. Sainsbury's conserve gift box—at £1.89—offers four variets of Sainsbury's own conserves with extra fruit.

German goods are setting the pace

GERMAN FOOD and drink is rapidly becoming one of the most popular alternatives to a traditional British Christmas and total sales last year grew by 26 per cent to reach a record £757m at retail prices.

Most continental foods have their supporters in the UK at Christmas—mainly from expatriates—but German speciality foods have found their way into British homes of all types.

Much of this popularity has been due to the efforts of the *Central Marketing Organisation for German agricultural industries* (CMA) to get German foods sold through the major supermarket chains such as Tesco, International Stores, and J. Sainsbury.

Mulled wine is a popular German favourite at Christmas now increasingly being prepared in the UK.

A dish of sweet biscuits is usually offered with mulled wine, although these biscuits are a far cry from their British counterpart. Examples are the Spekulatius biscuits spiced with cinammon, coriander, nutmeg and cloves, or Pfeffernusse which are honey cakes coated with spicy icing.

Those who find the traditional English Christmas cake a little rich, could try Germany's version, "Stollen," which is a light, loaf shaped cake which contains almonds, currants, sultanas, raisins, lemon peel, candied peel, rosewater and spices.

The UK now accounts for about 11 per cent of Germany's total agricultural export sales and Britain is now challenging Italy, Holland and France as the most popular destination for German food and drink exports.

A time of good cheer, but will consumers buy enough drink to keep producers and retailers happy?

A quarter of wine sales made in December

THE KEY question this Christmas is whether consumers will turn to drink to drown the sorrows caused by the recession. While demand for food has resisted the effects of the recession, demand for alcoholic drinks has not been so strong. Virtually every sector of the trade is counting the cost of another bleak Christmas to follow last year's disappointing sales.

Since a quarter of all annual wine sales in the UK are made in the few weeks before Christmas, the concern of the trade is clear.

The drinks trade looks forward with such eagerness to the Christmas season because traditionally it is the time of the year when consumers are encouraged to spend heavily on brandy, spirits and liqueurs, as well as on wine. The brandy market in particular usually does well at Christmas since it is not only associated with the seasonal festivities but also with the colder winter weather.

But brandy sales are also very sensitive to economic conditions and there are reports that sales this year are well behind last year's levels.

Alcoholic drinks in one form or another have of course been associated with Christmas for a very long time. The wassail bowl, a communal drinking bowl, was replaced by the punch bowl in the 17th century and forms a traditional part of the Christmas festivities.

Spiced ale

Punch bowls were designed with the glasses hanging from the sides. Their ladles often had a coin inserted, a symbol of the coins which were offered with the wassail. It was more likely that a spiced ale formed the basis of the wassail instead of wine as in a modern punch recipe.

Iris Grender in "An Old-Fashioned Christmas" (Hutchinson, price £3.95) has a *recipe* for punch. Take the juice of several lemons, together with one lemon cut into slices, and put it with sugar into boiling water. Allow this to stand for half an hour and then strain it into a bowl and add rum, brandy, gin, or whisky with some grated nutmeg. "The recipes vary, the quantities of each ingredient required being more or less a matter of taste; the proportion of water to spirits may be two to one or less," says Iris Grender. "Rum and brandy may be mixed, sometimes milk takes the place of water, or champagne is used instead of spirits. Egg punch is made by adding four eggs to each pint of whisky, brandy and rum in equal proportions."

Another interesting book about Christmas festivities, with special emphasis on food and drink, is published by the J. Sainsbury supermarket chain. Called "Cooking for Christmas" by Josceline Dimbleby, it is available price 75p from most stores.

Sainsbury's chief wine buyer, Mr Allan Cheesman, suggests that "if you like a full-bodied, fruity yet mature red wine, then our Rioja at £2.25 a bottle is an excellent accompaniment for the Christmas turkey." He adds that "for a lighter red, perhaps a bottle of Sainsbury's claret at £1.95."

Mrs Dimbleby maintains in her book that nothing can beat a good claret. "It has the right weight for turkey—not so light that it gets lost, not so heavy that the turkey is outdone. For this reason I prefer it to burgundy or Beaujolais."

She also points out that "some people prefer dry white wine or a Riesling or hock with turkey on the old-fashioned grounds that white wine and white meat go together." She believes that "this is a mistake."

Further advice is: "Don't, whatever you do, forget to put the red wine in a warm room the night before and open it at least a couple of hours before drinking. The cheaper the red wine, the more it benefits from being opened early to let the air get at it."

Mail order

Mail order wines are a good idea for those unable to get to a wine *merchant*. Findlater Mackie Todd and Co. which supplies the Queen with wines and spirits, is now one of the leading mail order wine merchants although it has only been selling wine by post since 1968. Findlater started in business in 1823.

Brandy is basically a grape wine which has been distilled, but within this broad definition there are three main types. Cognac is from the Charente region near the French coast, just north of Bordeaux; Armagnac comes from south-west France below Bordeaux; and grape brandy, which can be made in other parts of France where it does not qualify for the titles of the first two regions.

In addition, there are grape brandies from Italy, Spain, Germany, California, Australia and many other countries, as well as the different fruit brandies.

At the top end of the market are the VSOP (Very Special Old Pale) brandies produced by companies such as Remy Martin, Martell, Courvoisier, Camus, Hennessey, and Hine. Then come the various three-star brandies, costing £3 or £4 *less than the VSOP, followed* by the grape brandies of which the "Three Barrels" is most popular.

Whisky hit

Whisky sales in the UK have been badly hit this year by the recession and rising prices, and sales are running about 10 per cent below last year's already depressed levels.

Liqueur sales still manage to hold up even during a recession, probably because they come into their own at Christmas. (This is a result of the long-standing popularity of liqueur-filled chocolates at Christmas).

The definition of what constitutes a liqueur is open to some interpretation, even among the Customs and Excise which clears from bond some 2.5m *gallons* of liqueur spirits a year.

High - strength speciality liqueurs, at 55 to 70 degree proof or more, are mainly such brands as Southern Comfort or Pernod which, although hardly sweetened liqueurs in the traditional sense, are extremely popular and are among the top 10 brands which account for some 90 per cent of the liqueurs market.

High strength traditional liqueurs include such famous names as *Tia Maria*, a coffee liqueur, Cointreau, Grand Marnier, Drambuie, and Benedictine. Next come medium strength liqueurs of between 40 and 50 degrees proof. This category includes nearly all cherry brandies, creme de menthe, and a host of other flavoured liqueurs.

Low strength liqueurs at around 30 degrees proof are mainly the relatively new cream liqueurs. This sector of the market, launched in 1975 with Bailey's Irish Cream, is now one of the fastest growing areas of the drinks sector. Advocaat and other egg-based drinks form another low-strength group.

Tesco is expecting this year to be a "drink at home Christmas" for consumers. Mr James Duggan, Tesco's drinks buyer, points out that the differential between take-home prices and those of drinks bought out has widened considerably in favour of the take-home trade.

Mr Duggan believes that table wines will go from strength to strength and, although spirit sales nationally are depressed, Tesco is confident that its own-label spirits will sell well.

Tesco's Christmas wine sales will be boosted by the introduction of three-litre containers of wine which dispense the wine through a tap. The wine, called "Wine on Tap," keeps fresh for up to three months and retails at £6.59.

Roger Taylor

A festive display at Harrods wine department in Knightsbridge, London

BOOKS

Two wars

BY NIGEL NICOLSON

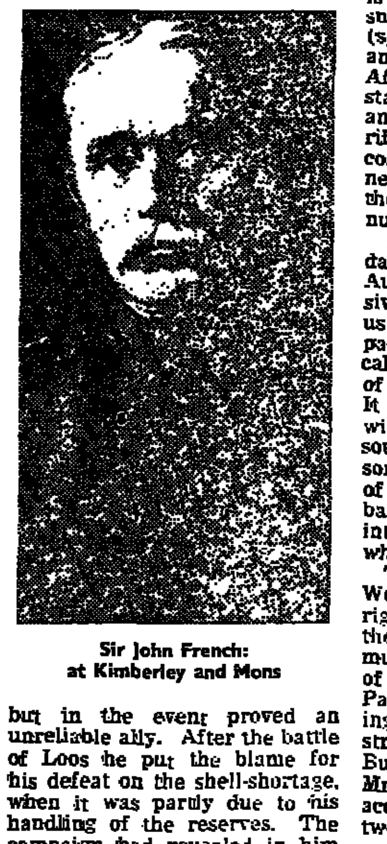
The Little Field-Marshal Sir John French
by Richard Holmes. Jonathan Cape. £12.50. 408 pages

November 1918
by Gordon Brook-Shepherd. Collins. £12.50. 448 pages

A book which begins, "A hint of dusk was already creeping across the veldt," and contains such early phrases as "his activities in the courts of Venus," does not inspire instant confidence, but Richard Holmes soon abandons this smart style for a clear soldierly narrative punctuated by convincing comment. Sir John French was not an easy subject, being a discredited Field-Marshal of the First War with a personality which the author finds difficult to admire. So honest is Dr Holmes that one begins to wonder why French was ever given positions of responsibility, and to hope (such is the mean streak in readers of candid biographies) for further examples of his incompetence, temper and infidelities. His "bulldog swagger and roving eye" were, however, balanced by more attractive qualities and gifts. He was brave. He has been called the most distinguished cavalry leader since Cromwell. He carried out Army reforms of lasting importance. He loved life and laughter. His men, even in defeat, adored him. Dr Holmes's favourite epithet "mercurial" bridges his failings to his merits.

The early years are taken at a canter. French is already 48 by page 50. Then we have the Boer War in detail, from which he emerged a national hero for his brilliant charge from Klip Drift to relieve Kimberley, though it virtually destroyed the Cavalry Division as an effective fighting force, and within a few years he became CIGS, a post from which he was obliged to resign in March 1914 for having initialled a pledge to the Curragh mutineers that Home Rule would never be imposed on Ireland by force. Four months later, French (whose career was as erratic as snakes-and-ladders) was given command of the BEF.

This was the crisis of his life, and he was found inadequate. He was a great leader, but not in any sense a great Field-Marshal. He believed that cavalry should have a dominant role to play in a European war, for the martial élan and terror which it inspired. He lost the respect of superiors, allies and high-ranking subordinates (Kitchener, Joffre, Lanrezac, Smith-Dorrien, and eventually Haig). He despised staff-officers, though his own knowledge of staff-work was abysmal. His conduct during the retreat from Mons wavered between extreme optimism and despair, saying at one moment that his Army must retire behind the Seine to rest, and at the next deploring Joffre's refusal to take the offensive. He was capable of histrionic outbursts, such as his response to Foch, "The only men I have left are the sentries at my gates. I will take them with me to where the line is broken, and the last of the English will be killed fighting,"


Sir John French: at Kimberley and Mons

but in the event proved an unreliable ally. After the battle of Loos he put the blame for his defeat on the shell-shortage, when it was partly due to his handling of the reserves. The campaign had revealed in him defects of temperament and aptitude impossible to ignore. There were few prepared to challenge his dismissal. Dr Holmes himself finds it difficult to raise a whisper of protest.

The Field-Marshal was not retired. He was given command of the Home Front, and in 1918 sent to Ireland as Lord Lieutenant. In both positions he retrieved something of his dignity. But history regards him as a failure. Terrible things were spoken of him, "A vain, ignorant, vindictive old man" (Official Historian). "An ignorant little fool" (Gough). "Poor little man, he is so weak and pliable" (Wilson). "I would not receive him in my house. I despise him personally too much" (Haig, formerly his close friend). Others, Churchill and Lloyd George among them, felt more warmly towards him. Dr Holmes wishes to be generous, and is, but so honest an historian cannot upgrade French's reputation more than halfway.

The ending of the Great War was as dramatic as its beginning, but has less often been described. In *November 1918* Gordon Brook-Shepherd has made of it a brilliantly dramatic story. I say story rather than history, for although his archival research has been very thorough, he enjoys the vivid confrontation and the vivid phrase more than the dry recital of events and documents. His tone is sometimes, but never distastefully, jocular. The Germans, particularly, come in for a TV-type treatment of their most agonising moments of decision and indecision, and there is an occasional suggestion of a sneer. Nor are the Allies (specially President Wilson and Foch) wholly immune. *After all, the Generals and* statesmen were very tired and anxious, and what seemed terrible to them can seem faintly comic now. But Brook-Shepherd never trivialises the horror of the actual fighting. He has a nurse's touch with pain.

Although the book's title dates it November, it begins in August, with the Allied offensive east of Amiens, and takes us through the concluding campaigns and the resulting political turmoil up to the signature of the Armistice at Compiègne. It ends at precisely 11 o'clock with the reproduction of a paper sound recording (the best of some rather poor illustrations) of the jagged frieze of the bombardment suddenly levelling into a straight line, like a heart which stops beating.

The emphasis is on the Western Front, but the book rightly and unusually stresses the effect upon Germany, as much psychological as military, of the offensives in the Balkans, Palestine and Italy, which, during a period of only six weeks, stripped her of her three allies, Bulgaria, Turkey and Austria. Mr Brook-Shepherd's thrilling account of these events credits two of the commanders, Allenby and Franchet d'Espérey, with a dash and vision which none of the Western Generals, on either side, ever emulated, and makes one wonder again why the south-eastern approach, except Gallipoli, was never energetically tried before and why, moreover, with these examples from the First War before us, we gave so low a priority to Italy and the Balkans in the Second.

At the heart of the book is Spa, the German GHQ in Belgium. Here were enacted scenes more dramatic and moving than any 27 years later in the Berlin bunker, and the evidence for what occurred is more precise. We see Ludendorff veering between panic and foolish optimism, Hindenburg relapsing into ineffectual taciturnity, the Kaiser refusing to face the necessity for his abdication, and how, gradually, two unexpected men, Prince Max of Baden and the young Emperor Charles of Austria, with cool heads and a certain dignity, but not without some essential treachery, forced them to accept the inevitable. The story has been told before in scattered segments, but never brought together so well as this. It arouses more pity than anger, more terror than retrospective triumph.


Roman Girl Gymnasts, from a 4th Century AD mosaic. It is one of the plates in Edward Lucie-Smith's "The Body" (Thames & Hudson, £12.95) which traces pictorial notions of the nude from ancient times to the present

Swedish saviour

BY W. L. LUETKENS

Righteous Gentile
by John Bierman. Allen Lane. £6.95. 218 pages

Legends have a life of their own. Raoul Wallenberg, Mr Bierman's *Righteous Gentile*, is no exception. That is why it is impossible to separate fact from misleading clues in the story of this scion of a celebrated Swedish family. By cajolerie, bribery and sheer bluff, with a measure of luck added, Wallenberg saved more than 100,000 Budapest Jews from extermination in the final, chaotic months of the Nazi empire in south eastern Europe. When the Soviet Army had entered the Hungarian capital he disappeared, never to be seen again in the West.

Evidence that he fell into the clutches of the Soviet secret police is strong enough to have prompted the Swedish foreign ministry to have badgered the Russians for information again and again. After first denying, while Stalin was still alive, that they knew anything about the matter, the Russians finally, in 1956, told Stockholm that Wallenberg had died in the Lubianka prison in July 1947. Hearsay evidence that he was still alive in Soviet camps has come out since on several occasions: some of it is suspect, some possibly credible.

The U.S. Congress this year accorded Wallenberg the most unusual honour of American honorary citizenship, partly in recognition of the fact that he undertook his humanitarian mission in Budapest on an initiative of the Roosevelt administration.

Mr Bierman's book has two great merits: it is not written as a thriller, but as a sober account of what the writer could discover from sources both published and unpublished; and though the author is convinced that Wallenberg survived longer than the Russians reluctantly admitted, he does not overplay his hand. In the end he leaves the reader to judge whether the Swede lingered on, maybe even until today, as a non-person in Soviet camps.

The story reflects little credit upon the governments involved. The Russians are exposed as liars; the Swedish Government in the immediate aftermath of war did little to trace and rescue a man who, however unorthodox his methods, held its diplomatic passport and carried out a courageous humanitarian mission. Its attitude is difficult to understand in 1981. One has to recall the mood before Krushchev's denunciation of Stalin: during and immediately after the war even men of goodwill and an awareness of what was going on in the world found it hard to believe that the Soviet Union was capable of misconduct on the scale which we now know to have been the case. That is (almost) enough to explain the refusal of the then Swedish foreign minister, Mr Goesta Unden, to believe that the Soviet foreign minister, Mr Andrei Vyshinsky, might have lied to him.

Mr Bierman leaves to the end a discussion of why the Russians arrested Wallenberg and why they denied all knowledge of his detention for so long before announcing his death — truthfully or not. Wisely, perhaps, Mr Bierman keeps that section of his account brief: speculation alone is possible. But, probably, he is not far from the truth when he suggests that it is futile to look for logic from the Soviet secret police and its masters, then and now. Wallenberg's achievement is patent, and has, at last, been recognised even in Israel; his fate remains a mystery like that of so many other victims of indiscriminate and unchecked power.

Fiction

Happening now

BY MARY HOPE

Ah, But Your Land is Beautiful
by Alan Paton. Jonathan Cape, £6.95 271 pages

Alan Paton's new novel, his first for thirty years, deals with events in South Africa between 1952 and 1958. Let no one think that it is all past history. A letter in the Johannesburg Citizen on November 9, 1981, remarked:

"... People should thank the Afrikaner on bended knees, because it was their forbears who suffered for the soil and endured the ravages of pioneer times as no other nation did. They paved the way for others to live here . . ."

It was signed: "Achievement". Again:

". . . A lot of the bad image South Africa has overseas can be blamed on the World Council of Churches, whose members should realise that true Christians make peace, not war. We are disgusted with priests and other clerics meddling in politics . . ."

It was signed: "Angered".

This kind of thing is served up with the orange juice any morning of the week, and Alan Paton continues doughtily both to understand and to change it. He has shelved his autobiography, of which only one volume has so far appeared, for the satisfactions of fiction. This is the first of a projected trilogy about events between the launching of the Liberal Party (defunct since the banning of multi-racial parties) with which he was closely involved, and the Soweto riots of 1976. He has said that his inspiration is Paul Scott's *Raj Quartet*, but it would be unkind and unwise to compare them too closely at this *early stage. Paul Scott's characters* are intricate and mysterious. Paton's have always been far more symbolic.

The idea of combining public and private events, of interweaving fact and fiction, real and imagined characters, is ambitious; tantalising for anyone not well versed in the politics of the period, but the *breadth of feeling*, the humanity, and the indignation sweep a somewhat disjointed narrative along. He takes a cross-section of characters to demonstrate the tensions and abominations of a society where hypocrisy and contradiction abound: great and small people whose lives are destroyed because they are the wrong colour, or the wrong religion, or whose views and tastes, which would be unexceptionable in the Conservative Party, here lead to hounding, maiming, ostracism, suicide, retreat.

A rich Indian family see their beautiful daughter disfigured by a bomb tossed through the sitting-room window. A well-meaning ex-headmaster, victimised for working for the Liberal Party, is forced to emigrate to Australia after death threats and intimidation, and their effects on his family. Sick pornographic letters arrive regularly from one who signs herself "Proud White Christian Woman." His daughter discovers the decapitated body of a fascist bomber outside their suburban house. A marriage *breaks up because the husband* is reclassified as "coloured." A rigidly Nationalist Afrikaner civil servant is driven to suicide by his passion for forbidden black women. Bishop Huddleston is abused and mocked as he fights for the dispossessed of Sophiatown, razed to the ground, re-occupied by Afrikaners and now crassly renamed *Triomf*.

Alan Paton's great strength is that in this latest book he tries to *understand* as well as recount such things. The central thread is a series of letters from an Afrikaner civil servant, ardent admirer of Dr Verwoerd, to his aunt. He constantly questions his beliefs. He struggles with contradictions and inequities which, at the end of the book, he still supports.

We are obviously going to hear more of him as the trilogy progresses.

The whole thing is sharper and drier than Paton's masterpiece, *Cry, The Beloved Country;* the emotion more restrained, the tears do not come so often to the eyes. But occasionally the hwyl returns. The old master has not lost his touch when he writes of the great events of the defiance campaign, the heroic moments of South African history which one day will be seen to rank with the deeds of the voortrekkers. The bus protest, when tens of thousands of blacks walked 20 miles to and from work every day, refusing to pay increased fares. Helen Joseph, leading 10,000 women to Pretoria to protest against the Pass Laws.

When he speaks of these things, Alan Paton's inimitable style takes you by the throat again, and you don't need to know South Africa to get the message.

Round robin crime

BV ANTHONY CURTIS

The Floating Admiral
by members of the Detection Club. Macmillan. £5.95. 309 pages

The Great Detectives: Seven Original Investigations
by Julian Symons. Orbis. £7.95. 144 pages

Fifty years ago the members of the Detection Club pooled *all their resources to write* a composite detective story. They each agreed to write one chapter, taking up the tale where the previous colleague had left off, working towards a thrilling climax and solution. The Club's members in 1931 (it still exists, I gather) included Agatha Christie, Dorothy Sayers, G. K. Chesterton, Ronald Knox, Freeman Wills Crofts and Anthony Berkeley, all of whom contributed to the volume, now reprinted.

The only obligation on the contributors was that they did have to have a genuinely plausible solution in mind as they piled on clues and ramifications. The story, *The Floating Admiral*, passes muster still *as perfectly acceptable* whodunnit giving off a strong flavour of the rural delights and dishonesties of pre-war England.

The mystery was set up in the first chapter by Canon Victor L. Whitechurch who for once restrained his passion for railway crimes, to depict a corpse in the Vicar's dinghy hoving into view down the River Whyn. The professional skill with which the various members of the Club develop the initial mystery is impressive, though, in the event, there is rather too much speculation and too little action. An additional pleasure for addicts is the Appendix in which each author offers his or her alternative solution.

For those readers who like to think of the great fictional detectives as real people with independent lives, Julian Symons *The Great Detectives* offers some ingeniously contrived interviews with the likes of Maigret, Philip Marlowe, Poirot, Miss Marple, Holmes, Nero Wolfe and Ellery Queen. Mr Symons knows how to suggest each author's idiom pretty well and he uses the parodies to make some searching points about the seven sleuths. Colour illustrations, giving an air of *picturebook innocence to it all*, are by Tom Adams.

Death law

BY WILLIAM WEAVER

Every Second Thursday by Emma Page. Collins. £6.25, 186 pages

The best of British murderdom. A nice village, a nice house in the village, and a not-quite-so-nice lady who seems to have committed suicide. Detective - Sergeant Lambert thinks otherwise, and with immense patience and insight (plus some luck) he uncovers the truth and confronts the culprits. A very sound and satisfying performance on his—and the author's—part.

A Quesiton of Law by Montague Jon. Macmillan. £5.50. 192 pages

Montague Jon (pseudonym of a barrister, the blurb tells us) is not a born writer. His prose abounds in dangling constructions, mixed metaphors ("corridors honeycombing the entire places like a rabbit warren"), and clichés. But, whoever he is, he knows how to invent a story; and this novel about multiple rape, *frustration, murder* is eminently readable.

Who guards the Guardian?

BY JOE ROGALY

Guardian Years
by Alastair Hetherington. Chatto and Windus. £15.00. 382 pages

Day-old newspapers are particularly useful for wrapping fish-and-chips in, or for scrumpling up potato peelings and tea leaves in order to clear the kitchen worktop; year-old newspapers come in handy as a tried and tested form of insulation, if placed carefully beneath the underlay with a carpet above.

Those who hold to this view may find it difficult to understand Mr Hetherington's book, since its principal characteristic is *seriousness:* it is apparently a matter of grave concern that the Guardian changed its editorial mind about the desirability of joining the European Common Market in 1962, or that in 1960 it preceded Kenneth Tynan in the public use of a well-known rude word, or that it had such-and-such a view of the pause in bombing in Vietnam in 1967.

As one who worked as a junior reporter on the Guardian, in Manchester, at the time of Mr Tynan's breakthrough I find it difficult to be wholly objective; in any event, my own views on a number of matters have been not dissimilar from theirs. It is because of this natural affection that I hesitate, but it would be against the tradition of C. P. Scott to hold back entirely, so here goes: Mr Hetherington makes himself, and the Guardian, sound a touch more self-important than it is good for a newspaper, or its editor, to be.

Where he is not concerned with the internal housekeeping of his journal he is entirely preoccupied with public policy, to the exclusion of virtually everything else. The Guardian's initial stand, under his editorship, on the invasion of Suez is seen as a matter of historic importance, its view on who should succeed Hugh Gaitskell as leader of the Labour Party is regarded as something to be discussed, in the natural course of the editor's day, with both Jim Callaghan and Harold Wilson.

Nor is the expression of a view on this matter to be taken lightly:

"We knew we had to be careful, for the Parliamentary party might be resentful of outside advice. But since the Parliamentary party was choosing not just its leader but a potential Prime Minister, who might soon have to govern, we felt justified in offering advice, discreetly phrased."

He showed the proof to Dick Crossman and Harold Wilson that night, commenting that:

"if George [Brown] were to be leader we would have great difficulty in supporting the party at an election."

Most editors consort with a variety of politicians and others in leading positions; it is part of the job. Most are aware of the borderline between flirtation with the great and allowing oneself to be used by them: indeed, Mr Hetherington himself cut short his habit of visiting the Prime Minister about once a month for a chat after Harold Wilson apparently invited him "to arrange publication of a story which I knew to be untrue."

But after nine months the *natural order re-asserted itself:*

"I kept away from Downing Street until January 1970, when on returning from the Middle East I thought that there were some points about Arab-Israeli peace negotiations that ought to be put to the Prime Minister."

Since Mr Hetherington appears in these recollections as a kind of scout for Mr Wilson *ahead of the latter's* visits to Washington and Bonn ("Wilson replied that my report on Washington had been most helpful, and he would welcome it if I could make a similar sortie to Bonn shortly before his own visit") the frequent colloquies with the great should be weighed against the simple question, "What are editors for?"

Most readers, and most journalists, would argue that the first purpose of an editor is to ensure that his or her newspaper provides accurate information in a readable form; the second may be to advocate particular policies, by means of open argument in the editorial columns. Mr Hetherington is aware of this: "I reckoned that, *apart from any value to the* Prime Minister, it was likely to provide valuable information for the paper," he remarks, shortly before writing of his visit to the Federal Chancellor, Ludwig Erhard.

At times, however, he appears to go one step beyond, to mixing in with the makers of policy, even to appointing himself *policy-maker. The example that* has already attracted some attention—and it is the most conspicuous one in the book—relates to an early request by President Johnson (relayed first through Mr Hetherington) for British support in Vietnam. At issue, when the editor of the Guardian and the Prime Minister spoke alone in the Cabinet room, was the commitment, of, "say," two RAF squadrons.

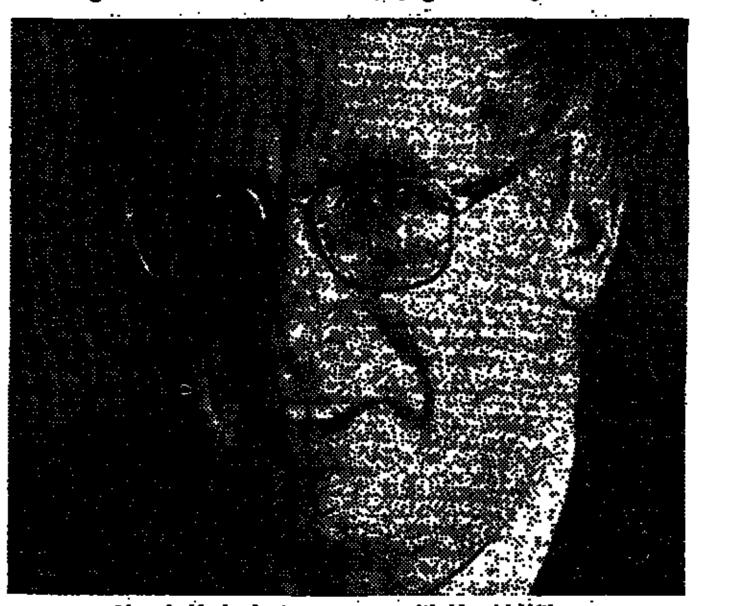
"I thought we should keep out," writes Mr Hetherington, "but if Wilson felt that we ought to go in I was willing to turn the paper's line round over the next week or two." Clearly aware of the implications of this sentence, he follows with an*other, in parentheses:* "(It was an exceptional offer, made because of my sense that a sound start to Wilson's relations with Washington was vital.)" Mr Wilson knew better; he referred *to that morning's* leader, which had advocated a negative response to President Johnson, and replied "'You've given him the answer already, haven't you?'"

Mr Hetherington is not the only editor to have allowed his sense of a need to advocate to lead him into delusions of grandeur: far less innocent cases are well known, not least in the pre-war Times, or in the Beaverbrook Express. Collusion between Conservative editors or proprietors and Conservative politicians is well-documented; against this history Mr Hetherington's stands as a mild centre-Left peccadillo.

He must also be given credit for a considerable achievement. During his editorship the Guardian became, not the Manchester *Guardian, but a national* newspaper printed and finally edited in London as well as in its home base. Its circulation when he took over in 1956 was about 165,000; when he left, in 1975, it had more than doubled. By that time the newspaper's national standing, substantial when he arrived, had undoubtedly been enhanced. In all his efforts, Mr Hetherington strove to be fair, and to be on the side of reason and tolerance. As editor, he was blessed with a proprietorial arrangement, through the Scott Trust, that survived trading losses (four times exceeding a million pounds) in the final 15 of his 20 years.

Nor were the Trustees ever tempted to interfere: on one occasion Mr Hetherington felt obliged to explain the editorial view on European policy to the Trust as "the ultimate keepers of the Guardian's conscience." He was greeted, at the end of his half-hour peroration, with silence and a suggestion that they adjourn for tea.

If the "ultimate keepers" are thus so passive, as they should be, where is the source of restraint? A telling phrase in Mr Hetherington's discussion of his relationship with Ministers, on page 107, explains what is perhaps his own view, "the safeguards lie in one's own judgement and their realisation that to give unsound information is short-sighted." There we have it: "*. . . one's own judgement.*" Fine. That is the role of an editor. But if an editor is tempted to become a quasi-politician, who guards the Guardian?


Alastair Hetherington: rapport with Harold Wilson

Hearing secret harmonies

BY ROBERT COTTRELL

Kaleidoscope
by Arthur Koestler, Hutchinson, £12.95. 386 pages

It is a brave man who allows his essays to be collected—or, indeed, re-collected—from resting-places where they may have spent many an undisturbed year. Once topical, can they now escape a period flavour? *Will diversity not also carry* with it something of the air of the ragbag?

This collection of Koestler essays assembled from *Drinkers of Infinity, The Heel of Achilles*, plus a half-dozen later pieces and a clutch of short stories, does have a period flavour. As a crash-course in the issues which have troubled the cultured European in the post-war years, it is ideal. The bomb, the war, LSD, hippies, the limits of science, the lessons of psychology, education, all attract Koestler's ruminative mind. Plus, for variety, canoeing up the Loire, the Reykjavik chess championship and a revaluation of Mahatma Gandhi.

Ragbag? No, more of a shopping basket, trundling through *the* intellectual supermarket, finding more or less everything that we were looking for, even chucking in a few surprises because they just looked too nice to be left on the shelf. Some of the things have cooked up nicely; others have not digested quite so well; one or two do not even seem to have been unwrapped.

Kaleidoscope is not a very readable book in its own right. Koestler has for the most part a very dull writing style, often precious, with a taste for clumsy conceits and little humour. It would be a lifesaver for anybody trying to set one of those university entrance general papers in which every question ends with the word "discuss": "Man is a sweet, but not a reasonable being — discuss; Evolution has made countless mistakes — discuss; from now on, our species lives on borrowed time — discuss;" those phrases I cull from page 124 without even trying.

The prevailing tone is that of the sort of conversation which one might hear towards closing-time in a pub in any university city. What is creativity? Why can we send satellites into space and yet not stop fighting in Northern Ireland? Is a universal language desirable? And — yes — What is Art?

Perhaps there are answers to these questions, but I doubt that they will be found here. So what is this book for?

For the answer, try "Rebellion in a Vacuum," where Koestler tackles the idea of education. The Concise Oxford Dictionary's "give intellectual and moral training to . . ." is not right for our times, he argues — thereby confirming one's impression that here is a man who would look a word up in a dictionary in order to disagree with what it said. Koestler prefers as the purpose of education "catalysing the mind."

It may be that the catalysts of yesteryear have lost their potency today. We do not want to argue about the Bomb, say, but more now in terms of the personal psychology of political power than in the quasi-anthropological and psycho-analytical terms of group aggression and the will to self-destruction.

The Koestlerian fascination with parapsychology, the links between mind and brain, culture and creativity — these are the provinces of the sage, and sages are not so popular these days. We are no longer so concerned with looking over and beyond the shoulder of the scientist as with keeping our eyes on what his hands are doing. The dream of intellectual synthesis is an idea whose time has been and gone.

So what is left? Well, mainly the impression that *Kaleidoscope* is the womb from which are sprung a thousand BBC2 documentaries. Which sounds a rather frivolous thing to say but — oh, dear, it is so terribly difficult to be so serious these days.

HOW TO SPEND IT

by Lucia van der Post

Shopping by the book

Hugh Routledge

.PEPER, Hadstock Road, Linton, Cambridge, 6NJ, is as many readers may already know, of the oldest herbalists in Britain. But t accounts for its great modern success is it manages never to cross that fine line that rates old-fashioned nostalgia and belief in ral ingredients from outright crankiness. Christmas it offers a whole range of ything its best-known for—scented waters, soaps, perfumed potpourri, spices and ury seasonings.

Classic dark green linen boxes hold either small sizes or three bath sizes of its tripled English soap—triple-milled, in case like t of us you were reared on supermarket ials of the week, ensures that the soap lasts lasts because the triple milling extracts all lus moisture and seals in the distinctive t. £4.15 for the five small sizes and 5 for the three large ones.

Then there are beautifully scented hions (£5.75 for a herb-scented Sweet sleep w), bags of spices for a Punchbowl (£1.65), cts of spices from Grenada (ginger, cloves, nutmeg, mace, turmeric, tonquin and a recipe book) for £1.65.

Coconut whirls (toasted coconut with a touch of sea salt. 75p) and dried bananas (30p) are new this year and for those who like the idea of giving a Christmas stocking but haven't the time to make one up, Culpeper makes it easy. Photographed above is The Gentleman's Stocking—for £8.75 you get the stocking filled with two sorts of soap scented with Black Forest Pine, bath crystals and a bottle of Pine Needle milk for the bath. Then, to satisfy the inner man there are the Coconut Whirls, peppermint fudge and a jar of English mustard, plus a lavender sachet to freshen up his suits.

There is also the Stephanotis Stocking (£11.55—full of Stephanotis scented luxuries) and The Homemakers Stocking (£8.35, buys traditional beeswax polish, Culpeper marigold lotion for the hands, seasoning, salts, black peppercorns and various other goodies.

Find the Christmas offerings in the usual Culpeper mail order booklet—it is free from the address above.

THIS WEEK the How To Spend It page continues with its theme of shopping for Christmas from the comfort of your own armchair. Whereas once it was only the large and glossy stores that thought to produce catalogues of their own, nowadays there is a whole host of small workshops and companies which seek to offer their more specialised wares to the mail order market. Quite often the catalogues are nothing like as plush to look at but it is after all the things they are selling that really matter. So this week I've concentrated on the smaller, less well-known ways of buying by post. Remember that if you want to send for any of the catalogues, you shouldn't lose any time—to be sure of orders arriving in time for Christmas, most of the companies like to have them in by the beginning of December.

Mailpost, The Old Vicarage, Narberth Dyfed SA67 8 UT is the place for the real railway buff. I never knew there were so many until a mention of an authentic railway guard whistle (still available, stamped GWR, LMS, LNER or SR at £2.85 plus £1 for a chain and 30p p and p) brought orders pouring in from all over the country. Now you can buy a Railway Clerks Writing Kit—the virtually obsolete gilt steel nib on the pen is a replica of a GWR No. 5 nib and it comes with 20 sheets of writing paper (in a range of colours and stamped with the initials of one of the railways), 20 envelopes, a pen knib holder, 2 nibs and blotting paper—all for £2.40 (p and p 40p). A catalogue will be ready for posting on November 24th—send a large s.a.e.

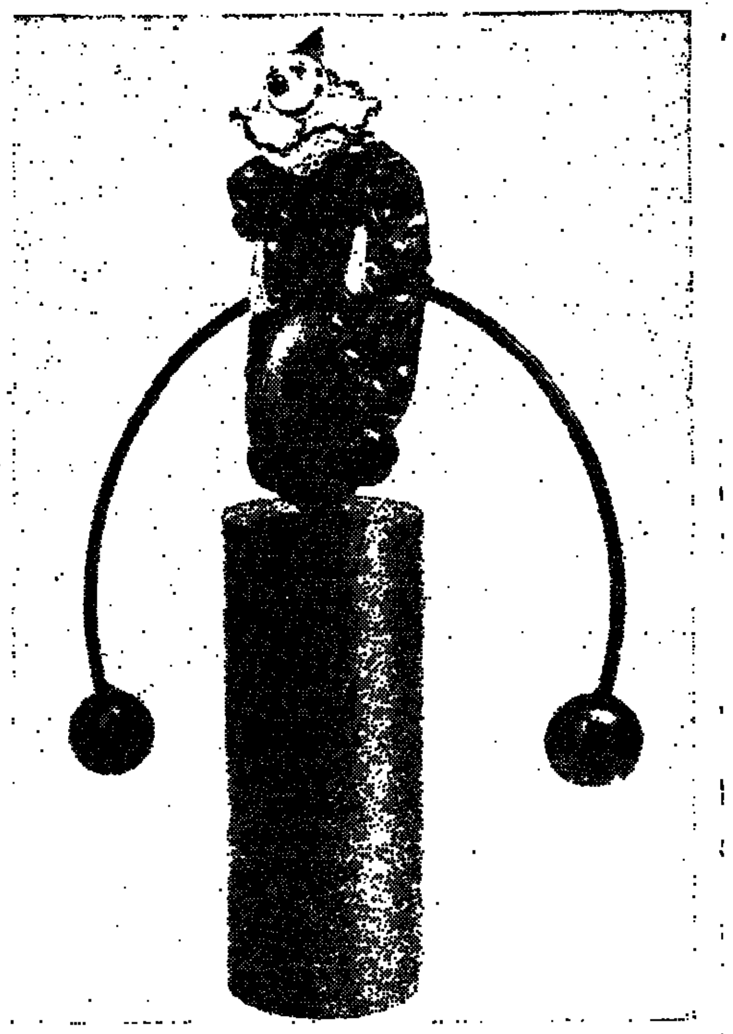
Naturally British, 13, New Row, Covent Garden, London WC2N 4 LF is for the patriotic or the I'm Backing Britain brigade—and actually most of what it sells is lovely. There are pure wool Fair Isle sweaters, silk scarves by Cornelia James, an authentic willow log basket from Norfolk. Just drop Naturally British a line and it will send you its small leaflet.

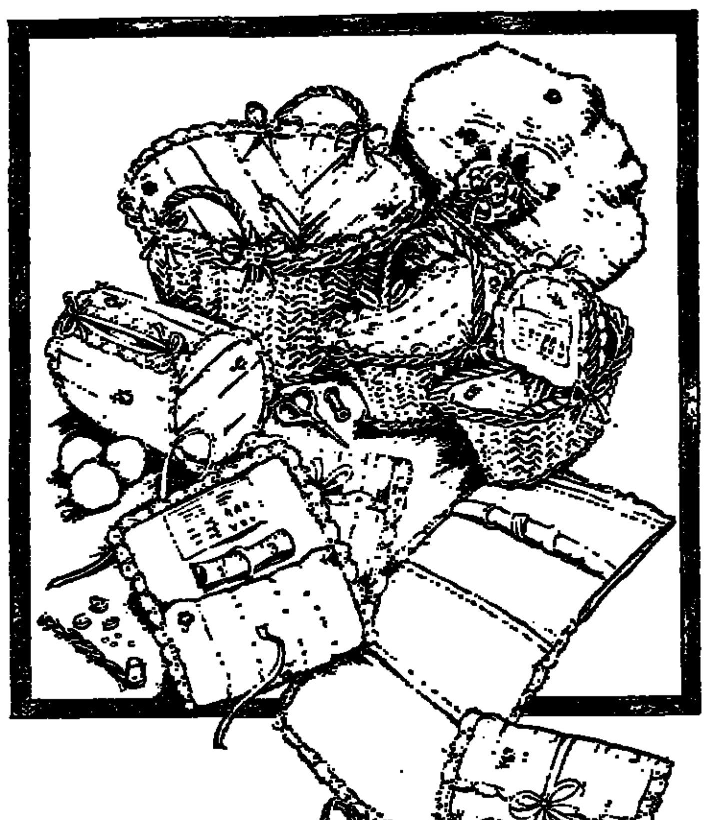
Woods of Windsor, Queen Charlotte Street, Windsor, Berkshire SL4 1LZ sells the most imaginative range of sweet-smelling products — perfumed drawer liner papers (£3.50 for six sheets perfumed with Rose, Lily of the Valley, Lavender or Honeysuckle), bone china pomanders (£6 each), soaps perfumed with traditional flower fragrances, and perfumed candles. Just send an sae.

Divertimenti, 68-72 Marylebone Lane, London W1M 5FF has a small but well thought-out leaflet that lists the kind of things the serious cook would love. Did anybody, for instance, ever have enough sharp knives or get tired of exotic mustards or not welcome a tin of walnut oil? Just send an sae.

The Conran Shop, 77-79 Fulham Road, London SW3 6RE, one of London's most desirable shops, full of the new, the innovative and the just plainly irresistible, has produced its first-ever Christmas catalogue, which lists 100 ideas from the shop. You may, if you are feeling generous, buy a sofa by post (£355), a beautiful hand-woven wool dhurry from India (£325) or alternatively you can spend as little as £2.95 on a V and A Museum notepad of 18th century commercial letter-heads, or £10 on a varnished cane hamper. Just write in or telephone for a catalogue—it is free.

Happy Things, 48 Millgate, Newport-upon-Trent, Notts NG24 4TY is fatter and glossier than ever and is written in its own inimitably happy and idiosyncratic style. Packed with small stocking fillers for children and adults, it now offers books, foods, personalised stationery, as well. There are over 500 different suggestions and somewhere in there, there ought to be something for everybody. This year's catalogue has another bonus—it's free, just send 20p in stamps to cover the postage to the address above.





Sketched above is a selection of the charming bedroom, bathroom and travelling accessories produced by Small Beginnings. Soft quilted fabrics and natural cane are a feature of their products and prices are surprisingly reasonable.

SMALL BEGINNINGS, 29, New Cavendish Street, London, W1 is a small company that specialises in making a very feminine and pretty collection of beauty, bathroom and travelling accessories, some of which are sketched left. I hope Grannies won't take it amiss, when I say that they make perfect Granny presents, though most of the rest of us would love many of their things, too. It's a useful little catalogue for those who don't want to spend too much as almost everything listed is under £10. For the disorganised housewife, who would like to be organised, there's a sewing kit at £6.56, for mothers-to-be, there's a miniature filled layette basket (£9.75), there are jewel rolls and quilted wash bags, bed jackets and lingerie bags. The mail order leaflet is free from the above address. Send an sae.

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KALEIDOSCOPE, P.O. Box 51, Swindon, Wiltshire SN1 5BD is one of those comprehensive catalogues with something for everybody—it doesn't have the select and exclusive air of some of the more specialised catalogues but for anybody who just wants to shop from one source and place all their orders at the same time, Kaleidoscope probably offers more things for more people than most of the others. In the brochure you will find inexpensive toys for children, some incomparably vulgar "matching watches," a range of "personalised" products that personally I would hate to give or be given, executive toys and other items that might better be called "gifts" than presents.

However, there, too, are such desirable items as a set of wicker planters (£9.95 for 5) for houseplants, a set of 50 different spools of coloured thread (it would solve an awful lot of problems in our household at least), a pine tray for breakfasting in bed (£8.95) and a good range of the kind of gadgets that most of us would like to have—from cameras to hi-fi.

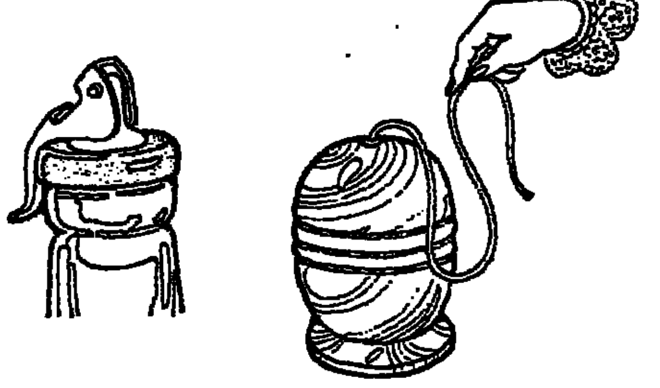
Photographed above, is a wonderfully bright and cheerful Balance Clown, in bright red, he rides a single wheel bike and balances on the bright red stand. £4.95.

The catalogue is free and all the prices quoted here, unlike the other examples on the page, include postage and packing.

IE COUNTRY GARDEN, Box 68, Binns Close, ventry CV4 9UJ, offers all us whose life styles are tropolitan and urban a ntalising glimpse into the intessential pleasures of glish country-house living. It is full of such wonderlly old-fashioned essentials r country-house comfort as asting forks (£4.50) and estnut roasters (£17.50—it seems expensive, it is cause it is a pure brass plica of a 15th-century sign), Blackthorn walking icks for treading the oors (£16.50), cast-iron doorstops (the "Hunting Doorstop" is £11.95), brass fenders and, for the really ecology minded, a paper-log roller to turn your old newspapers into logs for the fire (£11.75).

Drawn right are just two Country Garden ideas that no household should be without —re-corkers to stop up unfinished bottles of wine. Six for £2.50. The string box is made by hand from solid mahogany, £9.95.

Anybody who wants a copy of the catalogue should send 14p in stamps to The Country Garden at the address above.



Nothing but the best

L THOSE interested in ngs-on in the City, in partiar in the Barbican, as well all those interested in rior design, whether prosionally or personally, should e a point of going along to cape. Inscape opens tomor- (Sunday 15 until Thursday and is an exhibition, nsored by the magazine hitectural Review, which is quite simply to show what regards as the best of the rnational products currently ilable on the British market. erything to be seen is there invitation only, everything been vetted by a discerning nel of design experts.

A visit to Inscape also offers first chance the public have view the new Barbican Arts ntre as it nears the final ges of its completion. Any ders wanting to go along ll have to pay £2.50 for a ly ticket and should bear in nd that the point of the hibition isn't primarily mestic. Though a large selecn of exhibits will be things like fabrics, lighting and furniture, there will also be many products of more interest to architect and professional interior designers.

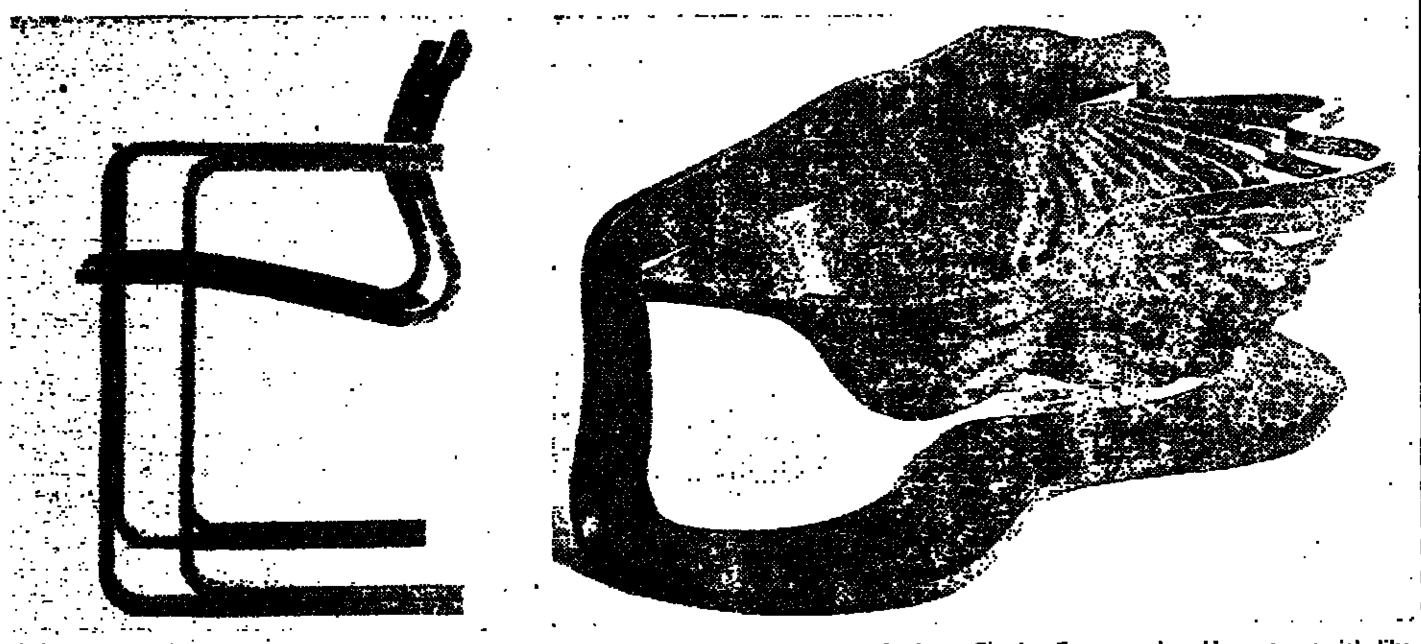
Probably the section most likely to interest the ordinary reader is the section called "Eight Designer Makers" organised by John Makepeace, the designer and furniture maker. He has gathered together a fascinating collection of individuals, all of whom have in common the fact that they operate small businesses offering specialised services, that their products are intrinsically of high quality and that all of them are primarily motivated by the quality of the design they are involved in.

All these eight designer/craftsmen work mainly to commission and all like the challenge involved in meeting a very specific set of circumstances. Throughout history the finest furniture, the finest objects have been the outcome of private patronage and they hope, with their work, to open the eyes not only of the public but also of industry and big business to just what a designer/craftsman has to offer.

John Makepeace himself, naturally, will be showing some of his recent commissions as well as his "Parnham Editions," a collection of his own designs. Then there is Mark Angus, who works in stained glass, Gerald Benney, the silversmith, The Edinburgh Tapestry Company, which triumphantly shows that tapestry as an art is far removed from the backward-looking activity that most of us envisage. Stuart Hill, of Claydon Forge, is a self-taught blacksmith who does things with wrought-iron and metal that nobody else seems to have thought of.

Inside Out is a special lighting company, Morgan and Oates are designers and makers of woven textiles whilst Ed Wolf of Indoor Garden Design provides a special advisory service on the planting, maintenance and care of indoor plants

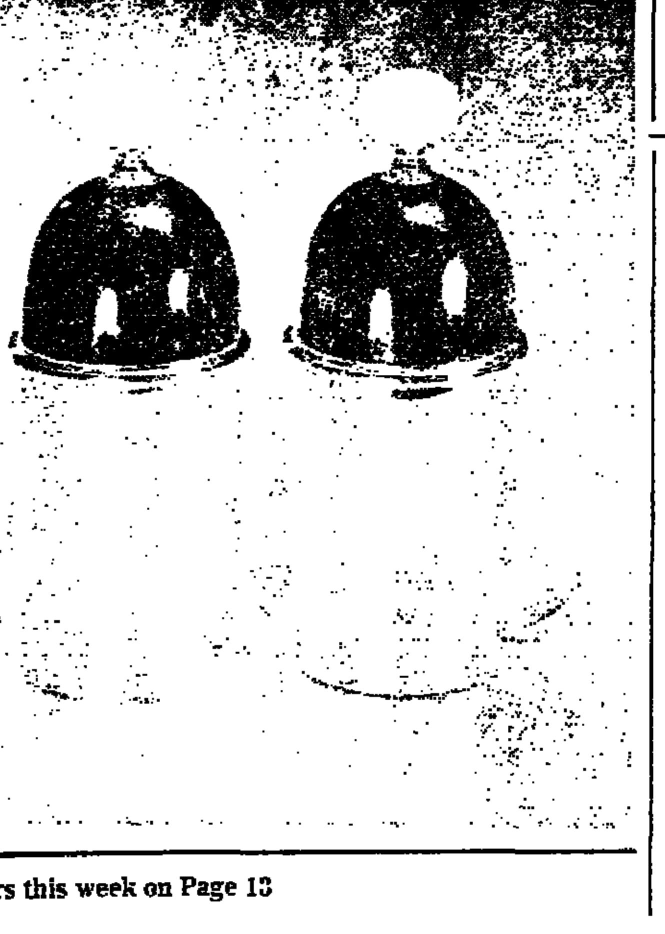
All this and more you can see at Inscape—it's open to the public, from 14.30 to 18.30 on Sunday and from 9.30 to 19.00 on Monday, Tuesday, Wednesday and Thursday.



Photographed above and below are some of the products that will be on show at Inscape. Bear in mind that none of the products will be for sale at the exhibition itself but of course all the companies will be only too happy to take orders from customers and the designer/craftsmen, whose livelihoods depend upon private patronage, all exist to give the patron the special attention he demands.

Above left, is a cantilever chair in laminated beech, designed by Rud Thygersen and Johnny Sorensen for the Danish firm of Scandia. The chair can be finished in oak or beech veneer and the seat and back come in black or natural braid.

Above right, is a very dramatic example of the unusual way in which Stuart Hill, of Claydon Forge, works. He uses materials like bronze, brass, wrought-iron and steel to very original and innovative effect. This particular example is a free-standing log basket (29 in by 15 ins by 9 ins) made from one piece of steel. The steel is painted and leaded on top and besides being suitable for holding logs it is also designed to hold a "gas" log fire.



Right is the work of one of our most well-known and distinguished silversmiths Gerald Benney. The salt and pepper holders are made from silver and black enamel and are just two examples from a whole collection of silver and enamelware which includes a complete dinner service, coffee and tea sets, as well as all manner of household items like hairbrushes, cigar and cigarette cases and table centrepieces and candlesticks.

Christine Robins

EXIMIOUS, 10, West Halkin Street, Knightsbridge, London, SW1X 8JL, is one of those companies that has its own market very clearly identified. Everything Eximious produces reeks of class, money and the kind of understated luxury that you might miss if you didn't know better. Luxury towelling robes, polished pewter hair brushes of pure bristle, fine leather wallets and credit card holders, all absolutely plain except for the initials printed simply in the corner. Eximious offers to put the initials on almost everything it does and the latest of its offerings is monogrammed bath soap—packed in plain dark blue boxes, with labelling in gold, the soap is individually wrapped and initialled. £4.95 for two.

Drawn above is a hand-embroidered pillow case, in white poly cotton, 12 in by 16 in, £8.25 (plus £2 per initial). The catalogue costs £1.

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GRAHAM AND GREEN, 7, Elgin Crescent, London, W11, and its sister shop, Over the Road (because, of course, it's over the road), are both full of things unusual, quirky, charming and desirable. Some are old (like lace cloths and patchwork quilts) and some are new (like the glass and the linen from China, the pottery and, of course, the food). If you're in London, both shops are well worth a visit and it would be a very hardened shopper who came away without anything.

Fortunately for those who can't visit the shops personally Graham and Green has a catalogue, full of line drawings, but no colour, which will be sent to any reader who sends in an sae, A4 size.

Drawn above, is a collection of some of the unusual pottery stocked by the shop. At the top is the Bird in Hand ceramic mug featuring a woodpecker/blue toucan, pelican or humming bird. £3.40 each. The cat teapot just below it to the right is a wonderful bright yellow and the head forms the lid. 10 in tall it holds about 1½ pints. £8.25.

The cat milk jug, to its left, matches it and is 5½ in tall. £4.15. The toucan salt and peppers look rather lugubrious but would nonetheless brighten up most tables. £6.25 the pair. Finally, at the bottom are some splendid stocking fillers for children. Animal table napkin rings, cat, tiger, £1.35 each.

Cooking by Julie Hamilton appears this week on Page 13

ARTS

Reith and after

BY B. A. YOUNG

Professor Laurence Martin's first Reith Lecture, *The Two-Edged Sword,* an academic survey of the problems of the nuclear deterrent, left me reconciled to the prospect before us. It was consoling to be told that arms races do not in fact lead to war, in spite of Earl Grey, and even more so to learn that a Harvard investigation demonstrated that there was no arms race going on at the present time. New weapons, said Professor Martin, are not necessarily worse than old weapons; if they are more accurate, the damage they do will be less.

From such an academic viewpoint, it seems fairly unimportant how much damage they do, since the certainty of vulnerability, on both sides, is the principal factor in keeping the finger from the button. There is, said the Professor, no non-strategic route to security. Nuclear disarmament, if we follow his argument, is no more than a weakening of our national defence; and opposition to national defence will "breed intellectual confusion, half-truths and downright error." This was as near to a political statement as the lecture contained. In conclusion, Professor Martin cited Bairnsfather's first world war cartoon—"If you knows of a better 'ole, go to it." "I have yet to find a better hole," Professor Martin assured us.

There are five more talks to come; they are broadcast on Radio 4 on Wednesdays at 7.45 pm, just as we are preparing to go into dinner, and Sundays on Radio 3 at 6.30 pm If they do something to lessen the intellectual confusion and the half-truths, our anti-nuclear Luddites may find their lives less turbulent, and even reconcile themselves to the fact that a good proportion of their domestic electricity is nuclear-generated. (And more will be when David Healey is in office once more, as he told Mary Goldring in *Analysis*, among a myriad other things, half an hour later on the same programme.)

There have been two programmes so far in a series on Radio 3 called *Medium and Message*, in which the wielders of power in the world of television talk to Michael Charlton about the way the power is to be wielded. In the first of them, on November 2, Jeremy Isaacs spoke with immense confidence of the prospects for the fourth channel. It will be innovatory, using "a reservoir of untapped talent," appealing to "substantial minorities"—young people, coloured people, homosexuals, political extremists. Educational programmes will not be academic, they will "teach people how to live."

It sounds like the Guardian, really. Alasdair Milne, the BBC's Deputy Director-General, was less positive. We at the BBC have, he said, constantly to realign our relationship with the audience, especially with the extremes of politics. There are no certainties. The BBC, though it must remain "the leader of quality broadcasting in the United Kingdom," was not in a position to impose a moral consensus "we have had to live with different values." Of the two, Mr Milne sounded the more practical man; but Mr Isaacs has been a practical man for a long time now too. We shall see, next November.

Mr Milne said proudly that the BBC commissioned 26 new TV plays a year. Mr Isaacs said nothing much about plays at all. If all four channels put out 26 plays a year, we should see about half as many plays per annum as we used to see in the sixties. We could do with more.

Last week I was enthusing about new writers of radio plays, so I made sure of hearing *Sacking* on Radio 3, a first play by Ian Weir, a Canadian student. *Sacking* was given prime time (8.15 pm on Sunday), with Michael Bryant and Glyn Owen to play the two main characters. These were Attila the Hun and Alaric the Visigoth—Alaric I, I take it, though my encyclopaedia claims that he died in AD 410, when Attila was ten. Alaric II succeeded in AD 485 and Attila died in AD 453. Anyway, here they were, these two monsters, swopping tags from Virgil and discussing the ethics of slaughter and rape with all the insight of a couple of music-hall comedians.

That was the trouble. They never were Attila or Alaric, either I or II. They were these two comics exchanging jokes about Attila and Alaric, and what they had to say about rape and slaughter might as well have been said by Morecambe and Wise.

Maureen O'Brien and Richard Kane

Citizen Ilyushin

BY ROSALIND CARNE

Why a Russian musician should expound his unexceptional view of the world in a tedious, sing-song lilt, is more than I would hazard to explain. Whatever the reason for this embarrassing stereotype, Richard Kane's interpretation of the title role effectively stymied what vestige of enthusiasm I could summon for this new play at the Tricycle in Kilburn by Kevin Mandry (his first).

The tale of the cultural pioneer, hushed by the weight of Soviet officialdom, is horribly familiar. This may be fiction, but so momentous a theme demands more than a rich vein of cliché. Yet it is a peculiarly uneven work, with at least two scenes in which the writer controls his material to surprising advantage, and where the cliché mode actually illuminates the politics which mould personality, and vice versa.

Against a meticulously painted backcloth of decaying grandeur, and autumnal birch, we track the career of a citizen composer whose refusal to make artistic compromise results in professional and social ostracism, psychiatric incarceration, and finally physical paralysis. At the end, he is being pushed around a park by his friend and one-time lover, Mariya (Jennie Stoller). She calls it "paralysis of the will," berating his inability to fight back.

The romantic connection here is only faintly explored, and like many other thematic threads, its true import is lost in a mass of dim allusion. Ilyushin's marriage breaks up. His Wife Lidia (Maureen O'Brian) makes her mark on stage, but we are never quite sure what she meant to him. Mariya's husband Yuri (Carl Forgione) appears to be the brave one, prepared to face the authorities. Somehow he manages to survive Stalin and the aftermath: again the implications are left dangling.

Links with Shostakovich receive an unkind hint in a scene in which an ex-pupil, Lena (Dione Inman) visits her former professor with a gift of the master's cello concerto. The concerto has been greeted with massive acclaim. Ilyushin, in squalid poverty, no longer possesses a record player.

The three women all bring breadth of feeling to their unrewarding, subordinate roles. Dione Inman gives a particularly good portrayal of candid disbelief at the fate of her one time professor. Among the men, Reginald Stewart stands out as the time-serving bureaucrat, Viktor, trading on a bluff manner and a peasant background. Though he bears not the slightest resemblance to Nkita Khruschev, he conjures an uncanny and presumably, intentional similarity as he sways towards his victim, cigar in mouth, in a perfectly ill-fitting off-the-peg suit.

Viktor's costume is typical of the attention to detail in design throughout. The production, from Foco Novo, is neat and sharply focused under Roland Rees' direction, but for an occasional excessive sub-Chekovian wistfulness. Reinterpret the leading man and rewrite the bulk of the script and they could have an interesting piece of theatre.

Favours

BY B. A. YOUNG

Favours, a first play by Duncan Forbes, is the kind of work too seldom written nowadays, a play depending for its interest on a strong narrative line and free of concern with current political or social campaigns. It is a more or less fictional version of the story of Sir Thomas Overbury, Sir Robert Carr, Frances Lady Essex and King James I and is admirably directed at the Northcott Theatre, Exeter, by Stewart Trotter.

As we see them (apparently not far from historical truth), pretty Robert Carr, later Lord Rochester, later Earl of Somerset, is the King's boyfriend. Overbury is Carr's boyfriend, this friendship is more genuine and he is upset when Carr falls in love with Lady Essex. She is already married, though she claims that the marriage has not been consummated. She hates her husband and is likely to hate him more when he emerges from his current bout of smallpox with a skin like the surface of the moon, so she asks Carr to persuade the King into getting her an annulment. Overbury's opposition to this leads to a quarrel and Carr presses the King to appoint Overbury to some foreign post. He refuses the appointment and is summarily arrested and sent to the Tower, where he is slowly poisoned.

Mr Forbes has a good eye for a dramatic situation, and is not mean with them. The first scene, that ends with the King knighting Overbury with the needle he has been using to pierce Carr's ears, sets the mood nicely. The end of the first Act, too, in which the physical side of Carr's influence over the King is first made coarsely evident, provides a good old fashioned curtain. There is a telling moment when Overbury, lying ill in his cell, is visited by a new jailer, a man whom he thrashed in a fight a little earlier, but Mr Forbes might have put that fight into a more convincing context.

I wrote last week about my dislike of modern English in historical circumstances. Th[illegible] play is in modern English, [illegible] the circumstances are them[illegible]selves updated, only t[illegible] costumes and the scene[illegible] (excellent designs by T[illegible] Reed) suggesting the Jacobe[illegible] period. This deprives [illegible] Forbes of the advantages [illegible] Jacobean emotions; a punch [illegible] the eye is less dramatic thar[illegible] dagger through the heart. [illegible] it also allows him to [illegible] Overbury is Carr's boyfrie[illegible] stood by us.

Anthony May and Mark L[illegible]bert give able performances [illegible] Overbury and Carr, never al[illegible]ing their affections, either r[illegible] or pretended, to be falsif[illegible] with camp. Amanda Ortc[illegible] Lady Essex is a proper int[illegible]pretation of Overbury's c[illegible]cription of the contempor[illegible] Howards, "unscrupulous s[illegible] interest on a vast sca[illegible] Richard Mayes gives us [illegible] curious King, shuffling ab[illegible] with his legs at an angle of [illegible] degrees to one another, but [illegible] blend of selfishness and cyni[illegible] humour is truly sinister.

Igor Oistrakh

BY ANDREW CLEMENTS

A programme of three Beethoven violin sonatas, perfectly played, ought to provide unalloyed pleasure. Igor Oistrakh, accompanied by Natalia Zertsalova, included the Spring and Kreutzer sonatas in his Elizabeth Hall recital on Thursday night, gave a breathtaking demonstration of technical control and managed to leave the music entirely unexplored. It was a quite unexceptional display of neutrality; no one could have guessed from his playing whether he admired the music. The same treatment could have been meted out, one imagines, to a salon trifle, the intonation would have been equally impeccable, the phrases shaped just as decorously.

Identifiable traits had to be searched for. The first movement of the Spring Sonata was given a fractional imbalance by a tendency to anticipate the first beat of each bar of the main theme; the phrases of the slow movement were kept isolated from each other; the finale was afflicted by sudden bouts of urgency, as if two conflicting interpretations were vying for attention. The easy conversational style of the G major sonata Op. 96 brought out Mr Oistrakh's most winsome phrasing and perfectly fashioned trills, yet only the slow movement drew the listener in, ta[illegible]ing him with its deliberat[illegible] understated violin lines.

Miss Zertsalova's playing [illegible] even more remote and unass[illegible]ing. The duo had chosen to [illegible] their recital with the Elizab[illegible] Hall's curtains closed and [illegible] piano lid only partially oper[illegible] for a pianist of such small t[illegible] and rudimentary gestures [illegible] was a mistake. The Kreu[illegible] sonata went without much of [illegible] tonal power as a result. [illegible] Oistrakh's playing never m[illegible]entarily lost its poise, ne[illegible] suggested it was trying to c[illegible]municate. A wrong note wo[illegible] have been a welcome sign [illegible] human frailty.

No demand for top jewels

A reluctance of buyers to pay high prices for jewels and an equal reluctance on the part of sellers to reduce their reserves produced many unsold lots among the major items at Sotheby's major autumn jewels sale in Geneva this week. Antique jewels with interesting historical links did quite well, but a fine pink diamond of 11.95 carats failed to sell, even though the bidding reached SwFr 2.4m (over £700,000). An important sapphire ring by Bulgari was also unsold at SwFr 700,000.

A diamond tiara of 1870, part of the Liechtenstein royal jewels, sold for SwFr 75,000 and an emerald and diamond stomacher brooch given by the 7th Duke of Marlborough to his wife Lady Frances Fane on the occasion of their wedding in 1843 sold for SwFr 150,000.

A seven piece suite of Louis XV giltwood furniture, stamped I. Pothier, sold for £93,085 at a sale of French furniture at Christie's in New York on Thursday. It had belonged to Henry Ford II and was bought by a private collector living in Geneva.

Other items from the F[illegible] collection to find buyers we[illegible] Louis XV/XVI kingwood [illegible] marquetry commode, stam[illegible] P. A. Foullet, which went [illegible] £61,170; a Louis XVI mahog[illegible] secretaire à abattant, stam[illegible] J. H. Riesner, which m[illegible] £26,595; and a pair of L[illegible] XVI ormolu mounted bois [illegible] citron and parquetry table[illegible] écrire, which were bought [illegible] £21,276. Among the other [illegible] a pair of Italian neo-clas[illegible] giltwood gueridons [illegible] £61,170.

A. [illegible]

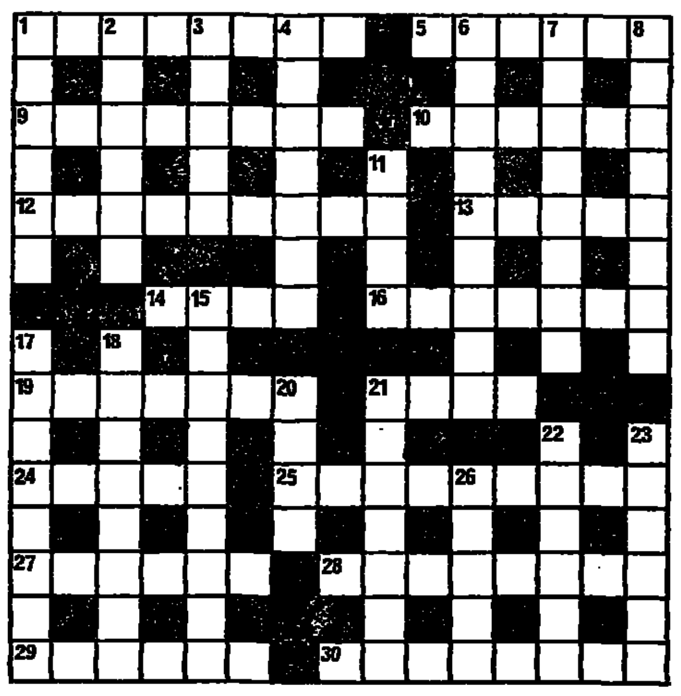
F.T. CROSSWORD PUZZLE No. 4,724

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



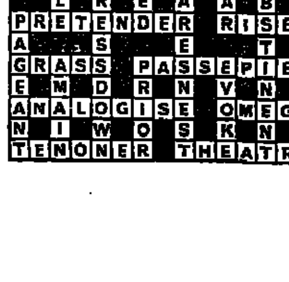
ACROSS

1 He needs a second helping (8)
5 Char from South Hornchurch (6)
9 Rude home of Wodehouse, we hear (3-5)
10 Carved head of great crow (6)
12 Circus act shows tower is working (9)
13 Try main arterial road or, taking little time, get AA round (5)
14 Verse does reform (4)
16 One has three points free, camping (7)
19 As pleased as Stephenson to see how "Rocket" worked? (7)
21 Superior pottery from Birmingham (4)
24 Doctor's note? (4)
25 Boatman who could be good in R. Nile! (9)
27 Novel one of three all for one, etc. (6)
28 Reduced fish portions for young children (5,3)
29 Formal study of writer (6)
30 Find rare form of light outside the spectrum (5-3)

DOWN

1 Enlarge new detail (6)
2 Enlist in reserve? (6)
3 The smallest degree in the whole Aston syllabus (5)
4 Tars or sisal product (7)
6 Bloomer in motor race (9)
7 Wild bird ever found in base of flower (5-3)
8 Do in a battery? (3-5)
11 Huntsmen returning empty (4)
15 Wanting head of club, five teed off (9)
17 Old fine country? (8)
18 State of perplexity when, in France, a railway closes (8)
20 e.g., lurchers in shadows (4)
21 He is in the three-legged race (7)
22 What a capital hat! (6)
23 Like some cuffs in battle with editor (6)
26 Leg-glancer or leg-shaker (5)

Solution to Puzzle No. 4,723



TV/Radio

†Indicates programme in black and white

BBC 1

9.05 am The World of Rugby. 9.30 Swap Shop. 11.30 The Lord Mayor's Show. 12.12 pm Weather.
12.15 Grandstand, including 12.50 News Summary; Football Focus (12.20); Racing from Cheltenham (12.55, 1.30, 2.05, 2.40); Profile—Jock Stein (1.15); Tennis (2.25, 3.00) Benson and Hedges Championships; 3.45 Half time football scores, reports and news; Rugby League (3.55) The John Player Trophy, Third round (highlights of one of today's matches); 4.35 Final Score.
5.10 Kung Fu.
6.00 News.
6.10 Sport/Regional News.
6.15 Larry Grayson's Generation Game.
7.10 Juliet Bravo.
8.00 Mike Yarwood in Persons.
8.30 Flamingo Road.
9.20 News and Sport.
9.35 Parkinson.
10.35 Match of the Day.
†11.35 Phil Silvers as Sergeant Bilko.

BBC 1 VARIATIONS—Cymru/Wales: 8.50-9.30 am Crackerjack. 6.10-6.15 pm Sports News Wales.
Scotland—4.55-5.10 pm Scoreboard (1). 6.10-6.15 Scoreboard (2). 10.35-11.35 Sportscene from Scotland. 12.00 News and Weather for Scotland.
Northern Ireland — 3.00-3.55 pm Rugby: Ulster v The Australians (opt-out from Grandstand). 5.00-5.10 Scoreboard. 6.10-6.15 Northern Ireland News. 12.00 News and Weather for Northern Ireland.
England—6.10-6.15 pm (South-West only) Saturday Spotlight.

BBC 2

10.10-11.50 am Open University.
†2.40 pm Saturday Cinema 1: "Bang! You're Dead," starring Jack Warner.
4.05 Play Away.
†4.30 Saturday Cinema 2: "The Long Arm," starring Jack Hawkins.
6.05 In Our Own Good Time.
6.35 The World Chess Championships.
7.00 News and Sport.
7.15 Did You See . . . ?
7.50 The Shogun Inheritance.
8.30 Tennis from Wembley.
9.20 Rules of Justice by William Humble.
10.35 Judges Rules OK? (follow-up debate to "Rules of Justice").
11.05 News on 2.
11.10-12.55 am Midnight Movie: "A Matter of Life and Death," starring David Niven, Roger Livesey and Kim Hunter.

LONDON

8.35 am Sesame Street. 9.35 Clapperboard. 10.05 Joe 90. 10.30 Tiswas.
12.15 pm World of Sport: 12.20 On The Ball; 12.45 Darts—John Courage Home International Championship; 1.15 News; 1.20 The ITV Six from Newcastle and Windsor; 3.00 Darts — John Courage Championship; 3.45 Half Time Soccer News and Reports; 4.00 Wrestling; 4.50 Results.
5.05 Worzel Gummidge.
5.35 News.
5.40 The Pyramid Game.
6.10 Game For A Laugh.
7.05 Punchlines.
7.40 Vegas.
8.40 The Stanley Baxter Series.
9.10 News.
9.25 "Mind Over Murder," starring Deborah Raffin.
11.05 Johnny Carson's Tonight Show.
11.55 The Palace Presents: Jack Jones with Pearl Bailey and Connie Stevens.
12.50 am Close: Personal Choice with Anne Scott-James.

All IBA Regions as London except at the following times:

ANGLIA

9.00 am Sesame Street. 10.00 Clapperboard. 12.00 The Amazing Years of Cinema. 12.30 am At The End Of The Day.

ATV

9.10 am Clapperboard presented by Chris Kelly. 9.40 Chips. 11.10 pm. *Portrait of a Legend: Stevie Wonder.* 11.40 SWAT.

BORDER

9.10 am Paint Along With Nancy. 9.35 The Flying Kiwi. 10.00 Clapperboard. 11.10 pm The Entertainers: The Barron Knights.

CHANNEL

7.40 pm Charlie's Angels. 11.10 The New Avengers.

GRAMPIAN

9.10 am Joe 90. 9.35 A Iomadh Duthaich. 10.00 Clapperboard. 7.40 pm Hawaii Five-O. 12.10 am Reflections.

GRANADA

9.35 am Joe 90. 10.00 Clapperboard. *7.40 pm The Streets of San Francisco.* 11.10 Star Parade. 12.10 Thriller: "Death in Deep Water."

HTV

9.10 am Talking Bikes. 9.35 The Further Adventures of Oliver Twist. 10.00 Clapperboard. 12.13 pm HTV News. 5.39 HTV News. 7.40 Hawaii Five-O. 11.05 Lou Grant. 12.05 am TV Eye.
HTV Cymru/Wales—As HTV West except: 5.05-5.35 pm Res Sgwar.

SCOTTISH

9.10 am Friends of my Friends. 9.35 A Iomadh Duthaich. 10.00 Clapperboard. 11.05 pm Late Call. 11.15 That's Hollywood. 11.40 It's A Musical World—Elkie Brooks.

SOUTHERN

9.00 am Clapperboard. 9.30 Thunderbirds. 10.27 Regional Weather Forecast. 7.40 pm Lou Grant. 11.10 Southern News. 11.15 Paris. 12.05 am The Electric Theatre Show.

TYNE TEES

9.00 am Cartoon Time. 9.10 Moby Dick. 9.40 Thunderbirds. 12.13 pm North East News. 5.40 North East News. 7.40 The Streets of San Francisco. 11.10 The Monte Carlo Show. 12.05 am Journey.

ULSTER

10.00 am Clapperboard. 1.18 pm Lunchtime News. 5.00 Sports Results. 5.38 Ulster News. 7.40 The Incredible Hulk. 9.24 Ulster Weather. 11.10 George and Mildred. 11.40 Bedtime.

WESTWARD

9.25 am Look and See. 9.30 Stingray. 9.55 Gus Honeybun's Birthdays. 10.00 Clapperboard. 12.12 pm Westward News. 5.41 Westward News. 7.40 Charlie's Angels. 11.05 The New Avengers. 12.00 Faith for Life. 12.05 am West Country Weather and Shipping Forecast.

YORKSHIRE

9.00 am Mumbly. 9.10 Chips. 10.00 Clapperboard. 11.10 pm Hammer House of Horror. 12.10 am Marie Gordon-Price in Concert. This week's guest is Georgie Fame.

(S) Stereophonic broadcast
‡Medium wave

RADIO 1

5.00 am As Radio 2. 7.00 Playground. 8.00 Tony Blackburn with Junior Choice. 10.00 Peter Powell. 12.00 My Top 12. 1.00 Adrian Juste (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Walters' Weekly (S). 5.00 Rock On (S). 6.30-7.30 In Concert featuring Donovan (S).

RADIO 2

5.00 am Tony Brandon with The Saturday Early Show (S). 7.30 David Jacobs (S). 8.02 Racing Bulletin. 9.30 Pete Murray's Open House (S). 11.00 The Kenny Everett Show (S). 1.00 pm The News Huddlines with Roy Hudd. 1.30 Sport on 2: Rugby Union: Australians v Ulster; Racing from Cheltenham at 2.15, Mackeson Gold Cup; Football: Second-half commentary on a top game, scoreflashes from leading matches, news of the others; Tennis: Benson and Hedges Tournament; 5.00 Classified Football Results; 5.45 Classified Racing Results; 5.50 Classified Football Check. 6.00 Country Style. 7.00 Jazz Score. 7.30 Big Band Special with the Radio Big Band (S). 8.00 Saturday Night Is Gala Night (S). 8.40-9.00 Interval: Forbes Robinson's Good Music Guide. 10.00 Nordring 81 (S). 11.02 Sports Desk. 11.10 Peter Marshall's Late Show (S). 2.00-5.00 am You And The Night And The Music (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Bandstand (S). 11.45 I Know What I Like (S). 1.00 pm News. 1.05 Early Music Forum (S). 2.00 Play It Again (S). 5.00 Jazz Record Requests with Peter Clayton (S). 5.45 Critics' Forum. 6.35 The Classical Guitar (S). 7.15 "The Force of Destiny," by Verdi. Welsh National Opera production from the New Theatre, Cardiff, Part 1 (S). 9.10 The Hygiene of Cycling. 9.30 "The Force of Destiny," Part 2 (S). 10.50 Apocryphal Stories. 11.00 News. 11.05-11.15 Aaron Copland (S).

RADIO 4

6.25 am Shipping Forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather; Programme News. 7.00 News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 Yours Faithfully. 7.50 It's a Bargain. 7.55 Weather; Programme News. 8.00 News. 8.10 Today's Papers. 8.15 Sport On 4. 8.50 Yesterday in Parliament. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week In Westminster. 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 The News Quiz (S). 12.55 Weather; Programme News. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Wildlife. 2.30 Thirty-Minute Theatre (S). 3.00 Medicine Now. 3.30 Profile. 3.50 Enquire Within (S). 4.00 Where Did It Go Wrong? 4.30 Does He Take Sugar? 5.00 People and Places. 5.25 Week Ending (S). 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News. 6.15 Desert Island Discs (S). 6.55 Stop The Week with Robert Robinson. 7.35 Baker's Dozen (S). 8.30 Saturady-Night Theatre. 9.58 Weather. 10.00 News. 10.15 Elisabeth Soderstrom (S). 11.00 Lighten Our Darkness (S). 11.15 The Burkiss Way (S). 11.45 Places I've Lived, People I've Known. 12.00 News.

BBC RADIO LONDON

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News, weather, traffic, sport. 8.15 Weekend What's On. 8.30 Westminster At Work. 9.02 On The Rates. 9.30 Openings. 10.02 All That Jazz (music by Thelonious Monk and Keith Jarrett). 11.30 The Robbie *Vincent* Show. 2.02 pm Breakthrough. 3.30 The Stuart Colman Ski Show from the 9th Daily Mail International Ski Show at Earls Court. 5.00 Guideline. 5.30 Quest. 6.00 Folk '81. 7.00-5.00 am Join Radio 2.

LONDON BROADCASTING

7.00 am AM with Jenny Lacey and Magnus Carter. 10.00 Jellybone with Tommy Boyd. 12.00 LBC Reports with Des Fahy. 1.00 pm Sportswatch with Dominic Allan. 6.00 LBC Reports with Des Fahy. 7.00 Geet Mala. 8.00 Network: Frederick Forsyth, author of "Day of the Jackal" and the "Odessa File." 9.00 LBC Special: "Does Football have a future?" 1.00 am Night Extra. 4.00 Hayes on Sunday. 4.30 Decision Makers. 5.00 Morning Music.

CAPITAL RADIO

7.00 am Graham Dene's Breakfast Show. 9.00 Countdown with Peter Young. 12.00 Dave Cash's Cash Country. 2.00 pm Duncan Johnson's Afternoon Delight. 5.00 Greg Edwards's Soul Spectrum. 8.00 The Sounds of a City. *9.00 Capital Re-Cap with David* Castell. 10.00 Roots Rockers with David Rodigan. 12.00 Midnight Special.

TV Ratings w/e Nov. 8

BBC 1
1 To The Manor Born; 2 Bergerac; 3 Mastermind; 4 The Paul Daniels Magic Show; 5 Tenko; 6 Juliet Bravo; 7 Dallas; 8 News and Sport (Sat); 9 Larry Grayson's Generation Game; 10 Royal British Legion Festival of Remembrance.

ITV 1
1 Coronation Street (Wed.) (Gran.); 2 This Is Your Life (Thames); 3 Crossroads (Wed.) (ATV); 4 Coronation Street (Mon.) (Gran); 5 Crossroads (Tues.) (ATV); 6 Game For A Laugh (LWT); 7 Give Us A Clue (Thames); 8 That's My Boy (Yorkshire); 9 Bullseye (ATV); 10 Bruce Forsyth's Play *Your Cards Right (LWT).*

BBC 2
1 Des O'Connor Tonight; 2 The Borgias; 3 Your Life In Their Hands; 4 Kelly Monteith; 5 The Last Song; 6 M.A.S.H.; 7 Grange Hill (Tues); 8 Tarzan And His Mate; 9 Grange Hill (Wed.); 10 The Five Faces of Doctor Who (Mon.).

Figures prepared by Audits of Great Britain for The Broadcasters' Audience Research Board (BARB).

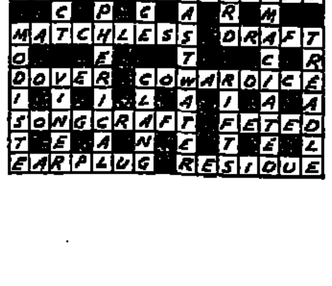
U.S. TOP TEN (Nielsen ratings)
1 Dallas (CBS); 2 Sunday Night Movie (CBS); 3 60 Minutes (ABC); 4 Dukes of Hazzard (CBS); 5 Three's Company (CBS); 6 Facts of Life (ABC); 7 Love Boat (NBC); 7 Magnum, P.I. (CBS); 9 M.A.S.H. (CBS); 10 NFL Monday Night Football (CBS).

CHESS SOLUTIONS

Solution to Position No. 397
1 N-Q4! and if 1...PxN; 2 B-Q5 ch, RxB; 3 R-K8! or if 1...NxN; 2R-K7 wins.

Solution to Problem No. 397
1 K-N7, KxP; 2B-K7 ch, K-B5 (if KxP; 3 B-N4 mate); 3 BxP, KxN; 4 B-N3 mate.

SOLUTION AND WINNERS OF PUZZLE NO. 4,718



S. A. Barker, 23 Acrefield Avenue, Heaton Moor, Stockport SK4 4BB.

Robert Llewellyn, 10 Dents Road, London, S.W.11.

K. W. Hargrove, 78 Kings Hill, Bude, Cornwall.

OLLECTING

'ulptor, :aver, ·tter

JUNE FIELD

'PORTUNITY to see and
ıe distinctive work of
listinguished and innova-
ımen artists comes with
highly personal exhibi-
ı London this month and
f a sculptor in bronze, a
· of tapestries and a
who makes the most of
ist techniques.

ızes of great charm and
by Estella Campavias
. the Richmond Gallery
·oole Fine Art, 8, Cork
London W1, until
ber 4. They are the pro-
f an artist with Spanish
dents; born in Istanbul,
.s now married to an
hman and living in the
ted wing of a Gloucester-
manor, working, appro-
y, in the old crypt of a
· *monastery. (The Jaco-*
ıouse stands on the site
n Augustinian Priory
:d in 1128, of which only
ɔuttresses and vaulted
remain.)

is necessary to shut your-
vay when you work," says
latile designer, admitting
he "forgets the day, the
the time which passes"
dedication to sculpture.
work is like a religion,
solitude is essential."
ı Campavias began her
as a ceramicist, and has
ted in London, Monaco
rance, as well as taking
with Henry Moore,
n and Sutherland in the
ı Artist-Craftsmen two-
our of the U.S. in 1960.
of her pieces are in the
ia and Albert Museum,
s American museums and
ous private collections.

:r Vigurs, keeper of Fine
.t Stoke-on-Trent's City
m and Art gallery —
her bronzes and ceramics
shown last year —
ned them as having "that
ɔut unmistakable quality
.] harmony between spirit,
and clay . . . This blend
ments is so subtle and
ɜx, each sculpture can
ınicate in many different
with the onlooker." And
ieve Couteau, in her book
: sculptor, to be eventually
:hed in English, refers to
ualities of "*la douleur, la*
ıation, en des volumes
oppés, mystérieux" which
:ulptor expresses in what
nts to as mankind without
.

:st reviewed Miriam Sack's
woven tapestries in 1977,
her latest exhibition,
tries, Drawings and Water-
rs is again at Leighton
›, 12 Holland Park, Lon-
W.14, December 7-19. The
of this South African artist
ı degree in social anthro-
', who has to her credit,
ole string of exhibitions
ıdon, New York, Washing-
enice and Cape Town, has
ng social message, as well
·ing vividly imaginative
a rare three-dimensional
.

ously concerned about the
·ations of developments in
ıt-day science and their
ome technological applica-
n industrial societies, her
that what she calls "my
·rk" (she turned to tapestries from paintings in 1958), should contribute to a better understanding of the worth-while things of life. "I am unhappy with the aspect of technology that causes humans to consider consumer goods to be of more value than art works made by hand. Computer technology that is capable of performing mental tasks previously limited to humans can, I believe, in turn stifle human potential."

Tapestries are traditionally made on looms, but Miriam Sacks's technique involves the use of her hands with linen canvas as in needlepoint, using needles and threads. "First I prepare a weft of horizontal threads to form a structure of large areas of colours and textures. Gaps are left with no threads. Then, over this I weave a warp of threads, some of which are of either natural or synthetic materials, thick or fine, rough or smooth, warm or cool coloured, dull or shiny. One can weave many textures by this technique, textures that are not easily depicted or built-up with paints, and weaving gives me an additional tactile pleasure."

She does not make sketches before she weaves, but depends on her retention of a mental image. Different techniques evolve from her own experiences. For example, inspired by the African mask when she lived in Zimbabwe from 1950 to 1964, some works are in layers which are filled in to form a semi-sculptural structure. From Africa, too, come most of her colours—flamboyant reds, pinks, and golds.

Water has a fascination for potter Elizabeth Raeburn. "The combination of the clear image of the landscape and its distorted reflection in water has fascinated me as a subject for decoration," says the potter who has her studio in a converted chapel near Glastonbury, Somerset. Although she has exhibited at leading craft galleries in the West Country as well as at London's Casson Gallery, her first one man show *An Exhibition of Raku and Pots with Reflection Decoration* will be at Dan Klein Decorative Arts 1850-1970 shop in Halkin Arcade, Motcombe Street, London SW1, December 7-22.

Her appealing pieces are inspired by diverse sources—English watercolours, the Impressionists and Japanese prints. Recently she has become interested in working with two particular ranges of colour and decoration, both of which are achieved by the use of coloured slips and glazes, combined with a variety of shapes which she feels are appropriate. The low temperature stoneware pots with reflection decoration have the quieter, subdued colours; the *raku* pots are more vivid, brighter and bolder, with typical random splashes of colour and veining. "In *raku* it is the unpredictable element that excites me. My approach has been to make pottery which is fairly precise in shape and decoration, but which is given extra vigour, and, at the same time, subtlety, by which haphazardness of the technique."

Raku ware, incidentally, is a rough dark glazed Japanese earthenware originating in the 15th and 16th centuries, favoured for tea-making. The word derives from the Japanese *raku*, enjoyment. The word was engraved on the gold seal with which the ware was stamped. Kichizaemon Raku XIV is still working in the house of his predecessors in Kyoto.

The ware is moulded, not thrown, rather soft and low-fired, with a thick lead glaze generally black or rather dark in colour, sometimes salmon-red dappled with green, rarely white or yellow.

Bronze figure by Estella Campavias in the exhibition which opened at the Richmond Gallery, 8 Cork Street, London W.1., this week until December 4

GOLF

An iron to the rescue of Third World poverty

BY ROGER PAUL

AFTER THREE ROUNDS of the 1981 U.S. Open championship a tiny, middle-aged Puerto Rican golfer was challenging hard for the title and lying third behind the leader, George Burns.

He didn't, of course, win. His final 72 left him in ninth position, behind the new champion David Graham. But the very fact of his challenge makes Chi Chi Rodriguez one of the most remarkable men in world sport.

Rodriguez is a man who has made it from nothing. He is a dollar millionaire, one of the very few from his impoverished Caribbean island, and a survivor for 20 years on a circuit that ruthlessly eliminates the unskilled, the weak-willed or the just plain unlucky.

This year he won $65,000, next year he asks himself the *$64,000 question. If he wins* that amount it will take his winnings to over $1m—one of *fewer than 30 men ever to reach* that mark.

Chi Chi—the name means nothing in Puerto Rican but, he says, coyly refers to "womens' breasts" in Japanese—has no business to be playing golf at all. Recently I spoke to him at his home club, the luxurious Dorado Beach Hotel in Puerto Rico, where he told be about his boyhood.

"Look at those hands," he said, thrusting them forward. They are tiny, and grotesquely bent. "I had rickets as a kid. The bones never formed properly. When I went into the army the drill sergeants used to bawl me out when I saluted because I couldn't keep my hand straight."

The rickets came about because of a diet dictated by poverty. "My dad was a sugar cane cutter. There was never enough food and when it ran out he would go into the fields and eat grass. Anything that grew, he would eat it. There were five of us, and we might get a pork chop once a week. Otherwise it was bread and beans, and beans and bread."

The Rodriguez family lived in a plantation-owned wooden shack with no bathroom or toilet, and Chi Chi started work aged 6½ as a water carrier to the cutters. "That was a fine job," he says without a trace of rancour or cynicism. He worked from 5 am to 6 pm, then raced back to heat some water on a fire. "When dad got home," he says "one of use would wash his feet."

But the coming of golf to Dorado Beach started a transformation of Chi Chi's life. He began to caddy. "My dad told me to stay away from there, to go to school, or I would always be a bum. But I worked hard. One day I caddied 54 holes, and the last 18 I carried three bags.

"That day I took home $2.70 and I was only ten."

When he was 12 he got round Dorado Beach in 67, and a career was born. Born, too, were a set of attitudes. The millionaire Chi Chi has never forgotten his roots, and a fortnight ago he *ran an international festival* pro-am to try to raise $100,000 for the poor children of Puerto Rico.

It was won by the former Masters champion Fuzzy Zoeller, from Calvin Peete, and a field that included 12 U.S. tour winners. They came for minimal expenses, out of respect for Chi Chi and his cause.

He devotes much of his time to helping poor kids, troubled kids, products of broken homes. *In Florida last year, for* instance, Chi Chi invited several inmates aged 11-17 of a detention centre to watch him play a tournament. Amongst them were two rapists, two armed robbers and a dozen assorted troublemakers. *He knew them* from a previous visit to the centre and had gained their trust.

"One of those kids," said Chi Chi proudly "had been locked up for a week. He was mad at *the world, wouldn't come out of* his room, wouldn't speak, wouldn't eat.

"I went into that room and in five minutes he was smiling. Another kid had a record of 100 break-ins. When I did my clinic I gave him my ring and my watch to hold. The other kids said 'you gonna trust him?'

But he has never broken in anywhere again.

"One kid's father had abused *him sexually and he lost his* speech totally for a year. I met him when he had just started to stutter again. I talked to him and took him to tournaments. Later he gave an end of term speech at the detention centre and it was perfect. It broke me up. I was due to speek after him but I couldn't talk.

"*Those kids*," says Chi Chi, "are just one of me. When I was 12, I hero-worshipped Baby *Faced Nelson and John* Dillinger. If I could have got hold of a gun then . . ."

But he didn't. He got hold of a golf club, and with it became more than just a golf pro. Chi Chi Rodriguez will probably never win a U.S. Open, but in the context of his life, it's really not all that important.

Chi Chi Rodriguez, dollar millionaire

Marshal Night for the Mackeson

RACING

DOMINIC WIGAN

MARSHAL NIGHT, the subject of a closing "none too genuine" comment in Timeform's Chasers and Hurdlers volume for the 1980-81 season, can prove himself jumping's most reformed character at Cheltenham today.

There I hope to see the six-year-old, who joined Josh Gifford's string from Mick Ryan's Newmarket stable over the close season, complete a hat-trick with a win in the season's first major 2½-miles chase, the Mackeson Gold Cup.

It is difficult to say by just how much Marshal Night has come on since last season, but of one thing there is no doubt: his progress has been little short of spectacular. The 20-lengths Kempton conqueror of Reehad on his seasonal debut, Marshal Night then went to Huntingdon, where he followed up with equal authority.

Neither on the Midlands course nor at Kempton did Marshal Night face rivals approaching the calibre of Western Rose or Fairy King, who take him on today. However, he could do no more than complete the tasks put before him with a minimum of fuss, and, of no small importance, in view of today's stiff fences, his jumping left little to be desired. Indeed Marshal Night's speed through the air at Huntingdon was a major factor in his achieving a time almost seven seconds inside the previous course record.

In an open race, he looks to represent better value at odds of about 7-1 than the favourite, Fairy King, or the gelding weighted to beat that northern hope on their running at Ascot in the spring, Henry Kissinger. Of the outsiders, the still-underrated Turnell nine-year-old, Snowshill Sailor, makes most appeal off 10st 4lb.

For those in search of mediums of a more gilt-edged variety the Mercy Rimell pair, Connaught Ranger and Pirate Son look to be today's safest bets.

Turning to the North, Ekbalco, my idea of by far the best outsider for the Champion Hurdle, is taken to lift the Fighting Fifth Hurdle.

CHELTENHAM

12.30—Jassim
1.5—Connaught Ranger*
1.40—Karlinsky
2.15—Marshal Night
2.50—Pirate Son**
3.25—Aleos

NEWCASTLE

1.0—Midnight Love
2.30—Ekbalco***

WINDSOR

1.15—Gusty's Gift
3.15—Applante

If you can catch a salmon—smoke it

FISHING

JOHN CHERRINGTON

THE ART OF smoking salmon for preservation originated, I believe, among the Indians in the coastal regions of America. It is ironical to think that the food which kept these primitive tribes from starvation should have become the luxury product most indicative of wealth.

I would be the first to admit that I am inordinately fond of it myself. But I am not particularly addicted to other smoked meats or fish. This is partly because in my early days I was the victim—there is no other word for it—of economical employers seeking to feed their staff as cheaply as possible, particularly in hot weather.

I particularly remember some pigs that were killed in the Argentine and ground into sausages before being stored in a smoke-filled room. These were not too bad for the first week or so, but after that either the smoke had not been dense enough or the salt insufficient and they began to taste inordinately gamey, like pheasants which have been hung for three weeks.

Neither I nor my companions were able to eat meat in a putrid state—like the British *aristocracy. So when a fat* bullock broke its leg by accident it had to be killed and we feasted on it. Then one night the sausages disappeared and there were scratches on the door as if a pack of pumas had broken in and stolen them. At least that was the explanation, and no one thought to recall that none of these creatures had been seen around for 50 years at least.

Today, however, not even my farm cat would get away with a morsel of my smoked salmon without the danger of a charge of shot because it has not been easily or cheaply earned.

I should emphasise that I've some principles in these matters. It would be simpler by far to go to a fishmonger, and buy my supplies as I wanted them. But this is not the object at all. I like to put myself in the place of primitive man, filling my larder with the victims of my skill. Of course it would be possible to catch heaps of mackerel at sea or even off a pier, and have them smoked. But somehow it would not be the same, life should not be made too easy.

My salmon fishing this year most certainly wasn't in that category. It was partly my own fault. I was away in February when the Wye was fishing quite well, but in March, April and early May the lower reaches were in flood while anglers higher up stream enjoyed the best year of their lives. In June I went to Scotland when the Wye was getting interesting and then to Africa where I failed to catch a Tiger fish in the Kariba dam, although it wasn't the object of the exercise.

There was a brief period in August and September when the fish were co-operative, strangely enough when the river was very low and dead and I was able to stock my larder with about 30 lbs of fish which, after smoking, will have at least halved in weight. But with economy I may be able to exist through the winter. One or two smaller fish were eaten fresh. Most disappointing as the Wye had had a record year.

But I had missed days when the fishing was good and in any case my own day in the week was always the wrong one. But there was another factor. Unlike most Wye fishermen I used no worms, except once and then at second hand.

The salmon is a noble fish and should succumb to a fly or at best a silver spoon. It is quite out of character for him to fall for a wriggling worm rolling down the river bed. But faced with an empty larder next year I, too, will have to take the last desperate step.

How best to bully your butcher

COOKERY

JULIE HAMILTON

I AM a firm believer in the family butcher. He is an important person in my life, in rather the same way as my doctor, dentist and vet. They all command my loyalty—and get it. Nevertheless, I have often been forced to buy certain items of meat elsewhere, purely because my butcher does not stock it. So this week I went in to find out exactly why the less usual cuts of meat were unavailable.

"Why don't you have pork tenderloin, veal, shin of veal for osso buco, lamb fillet, noisette of lamb, sweetbreads and so on?" I asked my country butcher in the village of Fletching, Sussex.

"They do not sell," he explained. "People do not know what to do with cuts of meat that are not familiar, and they do not want to go to the trouble of cooking elaborate dishes. People do not seem to be educated about meat these days and therefore there is no demand for a small butcher to supply such items."

I think he is probably right about his business, because he does not have passing trade, and even though he will get anything I want at any time, there are not enough people like myself to make it financially viable always to have it in the shop.

This does not apply to the family butcher in the High Street. He is in a position to take the gamble of displaying the more exotic and unusual cuts of meat and educate his customers. So bully your butcher into getting exactly what you want and try some of the following recipes. My mother makes the best osso buco I have ever tasted, even better than some Italian restaurants! And it is so easy.

Osso Buco
serves 4

4 thick meaty bits of veal shin on the bone; ½ pint of veal bone stock made with celery, onion, carrot and plenty of herbs; simmer for at least 6 hours the day before to make a really thick jelly; ¼ pint of dry white wine; ½ Spanish onion, finely chopped; 2 cloves garlic, finely chopped; 2 tablespoons olive oil; 2 tablespoons butter; 3 or 4 tablespoons of tomato purée; 1 anchovy fillet finely chopped; 3 tablespoons of chopped parsley; the rind of half a lemon grated; flour, salt and freshly ground black pepper.

Coat the meat with the flour which has been well seasoned. Brown it in the oil and butter, add half the garlic and the onion. Heat the veal stock to boiling point and pour it over the meat which must be lying flat so the marrow cannot escape from the bones. Add the wine and tomato purée, cover and simmer for 1½ hours. Now add the anchovy fillet and the rest of the garlic. Thoroughly blend. To serve, mix the lemon rind with the parsley and sprinkle it over. It is usual to accompany it with rice flavoured with saffron and a green salad.

Pork fillet or tenderloin is one of the most versatile cuts of meat I know and can often be passed off as veal in certain recipes. But it comes from the bacon pig and is therefore not always easy to find. A delicious way of cooking it is to stuff it and roast it. To do this you have to cut it nearly in half so it opens like a book. Bash it a bit to flatten it, spread stuffing of your choice on it and roll it up, secure it with string or small wooden toothpicks, lay some slices of bacon fat on it and roast.

Dried apricots, ground hazelnuts and chives all soaked in white wine for an hour or so before and well seasoned make an interesting and unusual stuffing.

Try to get your butcher to sell you your Sunday joint on the bone. Today, every joint seems to be boned and rolled—but surely we know that it is the meat nearest the bone, with plenty of fat too, that has the sweetest flavour. Sirloin on the bone—there is nothing to beat it. Ask your butcher to score the fat when he prepares it for you. Pound some thyme, lemon, a little garlic and English mustard together with some salt and rub it well into the fat and roast it to your liking. It is not so easy to carve but who cares when the flavour is supreme.

Lamb fillet is extremely versatile and comes from the neck. It is not as tender as the fillet of beef or pork, but it is exceptionally tasty and with imaginative cooking any tendency to toughness can be eradicated.

Marinate the whole fillets overnight in red wine, coriander, sugar, olive oil, salt and a lot of black pepper. Seal them in hot fat, then wrap them in pastry and cook slowly. You can also split and stuff them and then wrap in pastry or just roast. The fillet is ideal for any lamb casserole particularly as it is not so fatty.

Hungarian style lamb casserole
serves 4

1½ lbs lamb fillet cubed; 1 large onion chopped; 1 large potato cubed; 1 heaped tablespoon sweet paprika; 4 tablespoons red wine; 1 tablespoon tomato puree; 1 teaspoon sugar; 1 teaspoon dried dill weed; 5 ozs. soured cream; salt and pepper; lard; water.

Saute the onion in the lard until transparent. Take pan off heat and add the paprika and met. Stir well and return to heat, add the potato, wine, tomato, sugar and a little water if it seems too dry; cover and simmer for about 45 minutes. When the lamb is tender remove the lid and boil fast to reduce the liquid a little. Just before serving, add the salt and pepper, dill and cream, reheat and serve with rice or noodles.

Mary Berry's *New Book of Meat Cookery*, just published by Queen Anne Press at £7.95, is a good guide for anyone who is not familiar with the various cuts of meat and how to handle them. As in all her books, the recipes are easy to follow and do work.

"Oh, those are cuts we don't stock any more

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Saturday November 14 1981

A return of confidence

AFTER the minor crisis of the early autumn, a calmer and more confident mood has descended on the markets in recent weeks. With the FT 30-share index comfortably over 500 again and sterling climbing above $1.90 or 90 on its trade-trade-weighted index, it seems extra-ordinary that les than two months have passed since the dog days in the stock market and the foreign exchanges in September. It was as recently as September 28 that the FT index plunged to a low of 457.5 and sterling to $1.78, amid speculation about every kind of disaster, ranging from the re-imposition of exchange controls to Mrs. Thatcher's removal as Conservative Leader.

Recovered

In the event, Mrs Thatcher was not surpisingly returned unopposed in the formal election which took place in the parliamentary Conservative Party this week. Sterling has recovered by 5 per cent from its low point against a basket of currencies without any very extravagant Bank of England intervention in the foreign exchanges. And the autumn mini-Budget which has become a fixture in Britain's financial calendar as economic crises have followed one another with depressing regularity looks as if it may be averted for the first time in the present Government's term of office.

It may be argued, or course, that British industry has already had its regular autumn dose of bitter medicine from the Government, with the four-point jump in interest rates which accompanied September's run on sterling. Even after this week's cut in bank base rates from 15½ to 15 per cent, interest rates are still three points above the post-Budget level. Furthermore, the hope among those industrialists who welcomed the Budget, in spite of its apparently deflationary fiscal stance, was that it would do more than justify the new interest level of 12 per cent. If all had gone well, there could have been scope for a progressive lowering of interest rates from that point as the year went on.

However, the world interest rate competition precipitated by the domestic difficulties of Reaganomics has been a perfectly good pretext for the deferral of such hopes. Given the general condition of the world economy at present, the monetary situation faced by British industry no longer appears particularly restrictive. The outlook, from the point of view of industrialists and investors, seems a good deal better than it has been for several years and certainly better than might be suggested by the forecasts of the more widely publicised macro-economic aggregates.

Thus, while Thursday's industrial production figures pointed only to the slowest of economic recoveries and certainly not to a recovery which would reverse the trend in unemployment for some time—even a very modest recovery of 1 or 2 per cent next year should lead to a very substantial improvement in corporate profits. Almost all forecasters, be they monetarist, Keynesian or "ecletic," expect profits to improve sharply in the years ahead, even without the significant drop in interest rates which may still be on the cards if the conflict between President Reagan's supply side economics and Mr Paul Volcker's strict monetarism is resolved. This week's strong recovery in U.S. bond markets suggests some renewed optimism on this point.

Even though the likely improvement in profitability will be from a very low base and may not succeed for some time in restoring the share of profits in national income even to the unsatisfactory level of the late 1970s, it does seem likely that the recovery from the present recession will be led by profits and investment, rather than by consumer demand. That would be a healthy development which would give some validity to the Government's oft - repeated claim that it is determined to lay the foundations for a sustained improvement in economic output and Britain's productive capacity, even at the cost of serious short-term losses.

Indeed if the improvement of Britain's industrial structure and the elimination of inefficency and restrictive labour practices had been the sole objective of Government economic policy, there would be grounds for claiming a significant degree of success. In spite of the great cost in lost output and unemployment over the past two years, the British economy now seems to be pointing in a better direction. There are good reasons for hoping that by the time of the next General Election, this will appear quite clear.

Settlements

Another objective, however, was supposed to enjoy even higher priority in the Government's economic policy: the reduction of inflation. On this count the record is more disappointing, as yesterday's retail price index showed. Inflation is back up to 11.7 per cent and the immediate prospect is for some further deterioration. In spite of some moderate wage settlements, such as the one at BL, the mood in the trade union movement is becoming more aggressive. The aggressive mood could turn into aggressive actions as the recovery begins.

It would still be possible for the sacrifices of the past two years to have been in vain if Britain reverted to bad habits.

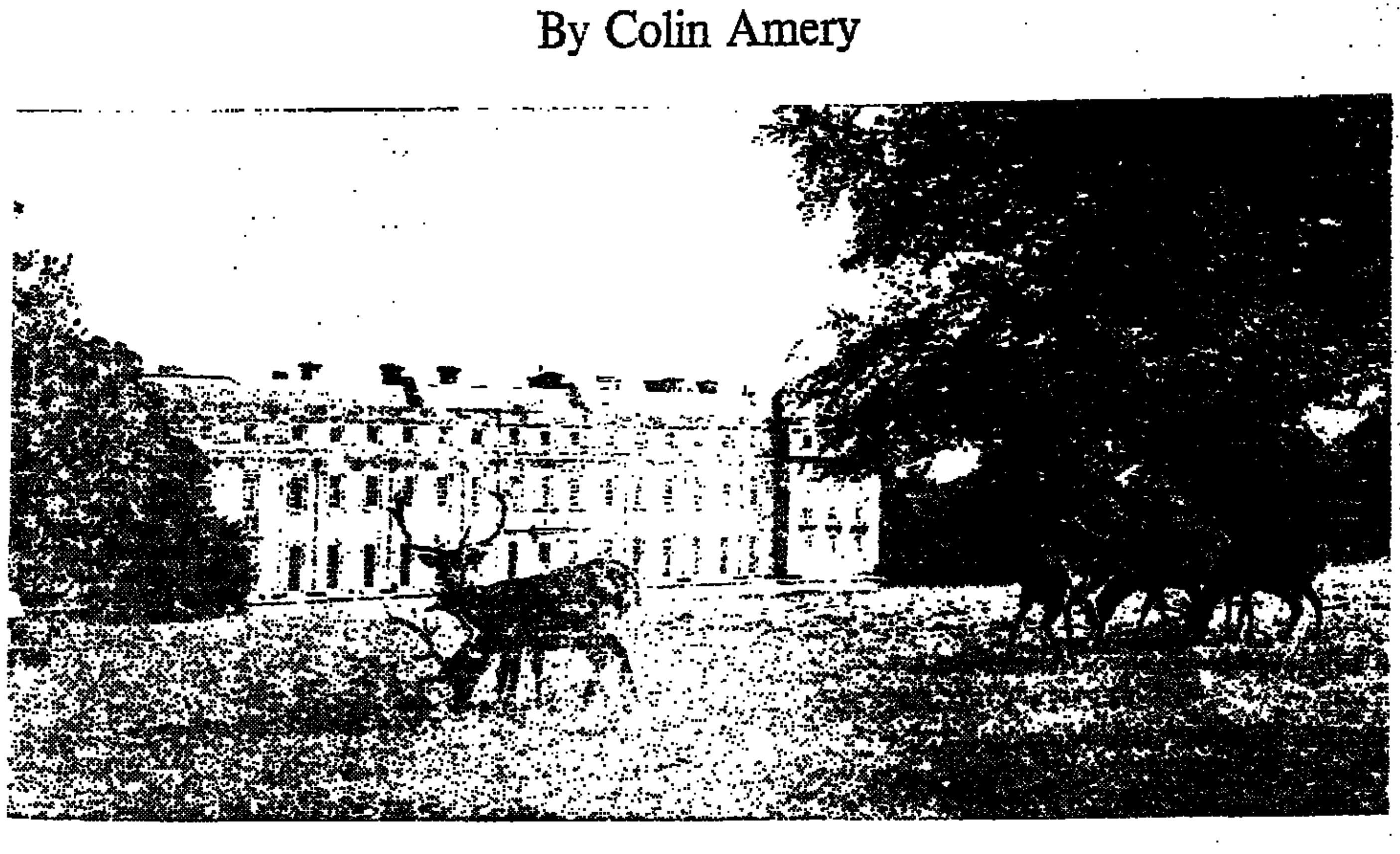
THE NATIONAL TRUST

Charity begins at homes

By Colin Amery

ALL OVER England the shutters are going up, the dust sheets are being put over the furniture and the last visitors have left the parks. The National Trust country house visiting season is over for another year.

Inside houses and in the offices of the Trust the cost is being counted and plans are being made to repair another costly stretch of roof, clean another picture and restore another few yards of precious tapestry. These are hard and expensive times for the guardians of that elusive thing—the heritage. And as the owner of far more land and historic houses than any one else, the National Trust is beginning to feel the pinch.



The National Trust is Britain's largest charity in terms of turnover. With more than 1m members there is no doubt that it has widespread support—but its funds are stretched to the point where something has to be done. At the Annual General Meeting of the Trust today its chairman, Lord Gibson, will have to report to members that for the last three years the Trust has been spending more than it earns. The 1980 accounts showed a deficit of £½m and free reserves of little more than £1m. The properties owned by the Trust cannot be sold and so do not ever appear as assets on the balance sheet.

It is expensive to maintain properties to the high standard insisted upon by the Trust. There is no doubt that the houses that have fallen into its care are probably better looked after than they have ever been. There is, however, a need to spend money on the repair and restoration of the contents of many of the houses and in many cases this has hardly begun. The effects of inflation have meant that less and less

The growing gap that is worrying financial advisers

money is being spent to keep things in good condition.

It is this growing gap between what is needed to be spent on maintaining the properties and the available funds that is currently worrying the Trust's financial advisers. The falling amount of expenditure in real terms on maintaining and presenting the properties means that the Trust's obligation to ensure that their properties will be properly maintained for ever may not be fulfilled.

The National Trust was founded in 1895 and incorporated by an Act of Parliament in 1907 which gave it a mandate "to promote the permanent preservation for the benefit of the nation of land and buildings of beauty or historic interest."

Probably the most important provision of Act is the clause giving the Trust a unique privilege—the power to declare its declare its property "inalienable." This safeguard has been a major encouragement to all those who want to give property or money to the Trust. There is a sense in which it is seen as the guardian of more than land or buildings—it appears to uphold a sense of values that have long since vanished from the commerce of the contemporary world.

Today the Trust looks after 150 houses open to the public, nearly 90 gardens and ½m acres of magnificent open spaces. There are more than 1,000 tenanted farms, 18 whole villages and 38 nature reserves. The Trust has taken to trade (not a universally approved decision) with 130 shops that sell a predictably safe line of souvenirs. Visitors are sustained by 70 restaurants and many a high level National Trust committee meeting spends a great deal of its time discussing the siting of lavatories and car parks.

What is it that has gone wrong with the financial backing for all this high powered activity? There are historical reasons that have to be considered. The Trust started to acquire country houses as early as 1907 when Barrington Court in Somerset was given. During the 1920s there seems to have been a distinct preference for early sites and buildings like the Roman villa at Chedworth. Bodiam Castle and Hadrian's Wall.

It was during the 1930s that the serious nature of the threat to the future of the country house was beginning to be understood and another National Trust Act in 1937 made it possible for the Trust to accept land and investments which was to be held purely to provide an income for the properties. A Country House Scheme and a discreet campaign enabled it to acquire at least a dozen major houses during the war years. Although most of the houses given to the Trust are endowed there is no doubt that it is the inadequacy of some of these endowment funds that is one of the causes of the present financial difficulties.

PETWORTH HOUSE
How much it costs

Petworth House in Sussex was given to the National Trust in 1947 by Lord Leconfield with an endowment for its upkeep. The current value of the endowment is £702,000, producing an investment income for the house of £67,710 in 1980. Descendants of the donor continue to live in the house rent free—a policy encouraged whenever possible by the Trust.

The annual bills for a house the size of Petworth are large and a breakdown of the total expenditure shows where the money goes.

1980 EXPENDITURE

Money spent on maintaining the house (This includes £68,666 on some special repairs which was grant aided by the Historic Buildings Council by £46,000)	£114,521
Gardens (Of this sum gardeners' wages come to £11,952 and about £1,000 was spent on plants)	£15,689
Estate cottages maintenance and repair	£4,339
Estate—repair of roads, walls etc.	£8,388
Insurance	£6,272
Total expenditure	£149,209

The income from endowment, admission fees, gifts, grants, rents and the shop came for the same period to £129,721. Annual deficit for 1980—£4,688.

Today an elaborate series of calculations are carried out before any properties are accepted and endowments are expected to provide for a property for at least the next 50 years. The assumptions that lie behind this "Chorley Formula" devised by the present Lord Chorley, a member of the National Trust finance committee, are based on the understanding that unless investment returns can at least keep pace with the cost of labour no endowment can be viable. The current application of the formula requires a capital endowment equal to 15 times the expected property deficit.

This formula, while ensuring more adequate income for properties than has happened in the past has made it necessary for donors to produce some pretty staggering endowment funds or very large amounts of land—it is no longer enough to give away your entire patrimony.

In the recent case of Canon's Ashby it was necessary for the Trust to create an endowment of £1.35m to ensure its maintenance. Expenditure of the order of £1m is necessary for its restoration.

Canon's Ashby is an unusual case of the Trust trying to acquire a property because it could see that it was in grave danger and there were no likely buyers to save it. The National Heritage Memorial Fund—established by the Government in April, 1980, as successor to Hugh Dalton's Land Fund—came to the rescue of Canon's Ashby providing a total of £1.5m. Of this sum £1m went towards the endowment and £½m towards the repairs bill. The Trust is launching a public appeal for funds for the further repair bills.

It is however very unlikely that the Heritage Fund will always be so ready to come to the aid of the country houses in danger. Indeed it is unlikely that, as their own funds are subject to the will of the Government, there would be enough money for a large house like Kedelston in Derbyshire or Chatsworth if the owners decided to throw in the sponge. Large grants from the Heritage Fund could in time threaten the independence of the Trust and render the whole elaborate apparatus ready for take-over by the State.

The independence of the Trust is not always fully understood. It is easy for it to be mistaken for an agency of the Government.

In the 1960s the Trust underwent a considerable upheaval and some members felt that those running it were out of touch and that its independence was preventing the influence of democracy on its activities. There was a lot of talk about the Trust being the preserve of a self-perpetuating oligarchy and fears were expressed that there was not enough public access to properties acquired for the nation.

In 1967 a committee under the chairmanship of Sir Henry Benson, partner in accountants Coopers and Lybrand and investigator of railways in Ulster and turnover tax and chairman of the Royal Commission on Legal Services, examined the way the Trust was being run. Today there are those who talk in terms of "before and after Benson," and he certainly had an effect.

Half the Council is now elected and considerable powers have been devolved to the regions. The regional offices of the Trust make perfect sense when it comes to the day-to-day management of the properties but they do not ha[ve] financial autonomy. Apa[rt] from funds tied to particul[ar] properties all general incom[e] is put into a central fund a[nd] then shared out among the r[e]gions according to need. T[his] rather communistic approa[ch] ensures that a uniform standa[rd] of care of the houses can [be] maintained throughout t[he] country.

Running the heritage la[st] year cost the National Tr[ust] £22.8m and in 1981 it will c[ost] nearer £25m. Income fr[om] rents, endowments, gif[ts,] legacies and subscriptio[ns,] entrance fees and Governme[nt] grants is no longer enou[gh.] There is an imbalance in t[he] accounts that makes it ess[en]tial that it does something [to] ensure a larger regular incom[e] and to close the gap betwe[en] what it can afford to do a[nd] what it should actually [be] doing. To do this the Trust h[as] decided to launch a ma[jor] appeal to the busin[ess] community.

It is not looking for t[he] occasional gift but for co[m]panies to give regular annu[al] donations that will add up [to] at least £500,000 a ye[ar.] Approaches are to be made [to] major companies and corpo[ra]tions which at present are n[ot] large scale supporters of t[he] Trust. From January 1, t[his] year regular corporate gi[fts] only amounted to £37,000. T[his] is a minute proportion of t[he] £50m given to charities by t[he] industrial and commercial wo[rld] each year.

TOP 10 PROPERTIES

	198[0] Visit[ors]
Stourhead Garden	186,0[00]
Tatton Park Garden	177,0[00]
St. Michael's Mount	170,0[00]
Chartwell	163,0[00]
Bodiam Castle	140,0[00]
Sheffield Park Garden	139,0[00]
Housesteads Roman Fort	135,0[00]
Bodnant Garden	133,0[00]
Tatton Park House	132,0[00]
Sissinghurst Garden	125,0[00]

The National Trust hopes, [and] it is justified in doing so, t[hat] companies will see it as [an] important contributer to [the] welfare of the working co[m]munity. It is the nation's lu[ng] providing space and air [for] anyone who loves beauti[ful] countryside. Its houses [are] arranged to be enjoyed—t[hey] are not museums. Business h[as] a duty to help the Trust [as] clearly as they have a duty [to] look after their workers. [For] many people the National Tr[ust] gives to their lives the eleme[nts] that are missing from the w[el]fare state.

This sensible appeal to bu[si]ness is not a panic measure b[ut] an inevitable and well plann[ed] step to widen the base of t[he] Trust's support, and ensure [a] viable future for the natio[n's] finest assets.

Letters to the Editor

Wages

From the Chief Economist, P-E Consulting Group

Sir,—Samuel Brittan argues (November 5) that, as for bananas, the labour market can be cleared if the price for labour is right. But the market for bananas may not be cleared if there are more bananas than people physically want or if they are not edible. Similarly for labour. There are perhaps more ill-educated and untrained persons in the economy than the country can absorb no matter the price of labour. Further, the wage levels at which this labour could be absorbed may be lower than a "subsistence" wage and certainly lower than the level of unemployment/social security benefits. Until there is a vast upgrading in training in the labour force—and this includes school education as well as post school training—the number of persons who are unemployable will remain at very high, and increasing levels.

Even in the traded goods sector wage increases are generally divorced from the actual profitability of the organisation although during wage negotiations companies often stress the strength of competition affecting its business. If companies were forced by law to pay wages plus say 25 per cent of profits generated to their employees then workers would be much more involved in the profitable growth of their organisation. This connection could be reinforced if this profit sharing element were tax-free. There would then be a real non-taxed incentive for the labour force to see profits in their organisation increase at the expense of direct wage increases. Similarly unit labour costs would fall during tough times thus introducing a downward, as well as the seemingly inevitable upward, movement into unit labour costs.

Such a policy would have to be introduced over a period of years but the present time appears particularly apposite since labour would benefit directly from any profit improvement from the current depressed levels.

Allan A. S. Rodger.
Park House,
Egham, Surrey.

Rates

From the Deputy Director-General, Confederation of British Industry

Sir,—Although it is some time ago (I have been in Eastbourne) I feel I must correct the impression given by Robin Pauley on October 20 that the CBI is no longer in favour of a Government-imposed ceiling on non-domestic rate rises.

Contrary to what was suggested the CBI continues to believe that a ceiling on business rate increases would be a most effective way of containing business costs, restraining local authority expenditure and increasing local accountability.

Our strong views on this issue have been made known to the Government on a number of occasions, most recently in our response to the Department of the Environment's technical memorandum on proposals for new rating procedures.

Bryan Rigby.
CBI, Centre Point,
103, New Oxford Street, WC1.

Aviation

From the chairman, The Air League

Sir,—No one will argue about the contribution which British aviation and its supporting industry makes to national prosperity but I wish to draw the attention of readers to the fact that the discriminatory tax of 62.8p per gallon levied on aviation gasoline (Avgas) bids fair to destroy the contribution that general aviation operators can make to the process. The pump price charged for Avgas in this country is the highest in the world at around £2.71 per gallon.

By definition, general aviation covers aircraft below 12,500 lb weight and, contrary to popular belief, less than 10 per cent of all the flying generated by general navigation operators is concerned with sport or leisure flying. More than 90 per cent is generated by small airliners, by air taxi and executive aircraft, by civil flying training and by agricultural flying. One of the prime consequences of the iniquitous tax on Avgas is that foreign countries have all but stopped sending their students to the UK for flying training and, to add insult to injury, British trainees now find it cheaper to go to the U.S. for theirs, and are doing so in increasing numbers. Secondary effects of this downward spiral in activity are the catastrophic drop in the value of piston-engined aircraft assets and the rising number of clubs and schools going out of business.

The irony is that general aviation operators using turbine-engined aircraft fuelled with Avtur pay a duty of only 3.5p per gallon: 18 times less than that charged on Avgas even though the aircraft involved are doing the same kind of work.

For reasons which are unclear, but which seem to have little basis in logic, Avgas has always been treated on a par with motor-car fuel (Mogas), whereas because of its use the parity which should be adopted is that between the two different aviation fuels used within the industry. The loss to the Treasury has been estimated at as little as two-thirds of the foreign earnings that would be regained if the duty on Avgas were brought into line with Avtur.

Our various flying scholarship programmes are critically dependent on the cost of flying tuition, and I have no doubt that it is the fuel element which contributes most to the upwards spiral of this cost. The discriminatory tax on Avgas therefore puts in jeopardy the Air League's work to prepare and motivate youngsters to enter the aviation profession, with all that this would entail for the future health of an industry which contributes so much to national prosperity.

(Dr) J. E. Henderson.
The Air League,
4, Hamilton Place, W1.

Absenteeism

From the Group Employee Relations Adviser, Avon Rubber Co.

Sir,—Mr Short (November 5) seems unaware that the majority of employees are already covered by occupational sick pay schemes (the green paper quotes 80 per cent in 1974). To suggest then, that under the new proposals "there is virtually a positive incentive to encourage absenteeism" is nonsense. It is surely obvious that the majority of employers have a positive incentive to reduce absenteeism in order to reduce occupational sick pay costs. In addition they have always had under any scheme, or none at all, an incentive to reduce absenteeism to avoid the costly labour manning re-organisations and subsequent overtime costs.

Employers' objections to the original Government proposals were based on the principle that Government savings should not be achieved by passing the costs on to employers. A sensible compromise has now been reached.

P. Amor.
Avon Rubber Company,
Bath Road,
Melksham, Wiltshire.

Co-ownership

From the Managing Director, J. and S. Davis (Holdings).

Sir, — Successive governments have pledged their commitment to the involvement of the work force in ownership of their own enterprises. This resulted in the co-ownership provisions of the 1978 Finance Act.

My company has believed in this principle for far longer—but being a close company it has been more difficult to implement such a scheme than it would have been for a public company. For 10 years we struggled with ill-informed lawyers, accountants and government departments and finally thought we had succeeded—only to find that we still cannot implement our fully-approved scheme due to a unilateral ruling by the Inland Revenue on the share valuation. This says that a large shareholding is valued on one basis, whereas small minority holdings that are given to the co-owners are valued at about one third as much.

We appreciate the problems for the Inland Revenue in the valuation of this type of share issue—but felt we found a compromise by basing our own share valuation for the scheme on an equal one third division between net asset, earnings, and potential dividend valuation. Even this proved unacceptable to the Inland Revenue.

For close companies that need to raise future capital, a two-tiered valuation system must destroy this ability. Thus such companies will not operate a co-ownership scheme. We are an example. An enthusiastic, motivated company with an approved co-ownership scheme that will not be operated due to the share valuation decision of the Inland Revenue.

John M. Davis.
Cordent House,
34-36 Friern Park, N12.

Malaysia

From the chairman, British Malaysian Industry and Trade Association

Sir,—As the representative body of most companies in Malaysia which have British interests, we are naturally very concerned over the loss of good will between Malaysia and the British business community here.

Comments quoted in the British Press suggest that some observers in the UK do not fully understand the fundamental issue. This concerns the new economic policy of Malaysia, which in the context of growth in the country's economy as a whole, has, as a major objective, adjustment in the distribution of corporate wealth, both between Malaysians and foreigners and between the racial groups within Malaysia.

The British business community here has already publicly reaffirmed its determination that British business should be conducted in full accord with the aspirations of Malaysia—and specifically with the country's new economic policy.

The successful bid by Permodalan Nasional Berhad for Guthrie was made in pursuit of this policy. It was carried out strictly according to the rules of the London Stock Exchange and it involved transactions between a willing buyer and willing sellers. It is not surprising that the Malaysian Government is highly irritated by accusations of back door nationalisation and finds it difficult to believe that changes to the LSE rules were not designed to thwart further Malaysian purchases. As was observed in a letter to your newspaper of October 5, Malaysia is almost alone in being prepared to pay market prices for the repatriation of assets.

There are various issues under discussion between Britain and Malaysia. Of particular concern to us however, are the comments we have read which reveal a failure by some observers in Britain to understand the full implications of the new economic policy. Moreover the tone of these comments has done little to dispel the Malaysian conception of a generally indifferent and patronising attitude on the part of the British.

A. J. M. Blumer.
British Malaysian Industry and Trade Association,
PO Box 2574, Kuala Lumpur.

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Rupert Cornwell, in Merano, reports on the Karpov-Korchnoi conflict

Cold war on the chessboard

split second their eyes ...er the 20-inch square ...but that accidental ...of human contact ...in a flicker. Challenger ...orchnoi is hunched over ...e on the stage, plotting ...variations on the theme, ...ations on the variations, ...gets up abruptly and ...stage.

...ite, Anatoly Karpov, ...world champion and ...'s sworn enemy, sits ...red and impassive in a ...t that seems a shade too ...aim. Then he, too, makes ...e, annotates it, stops his ...ock and glides off to his ...room. The table is ...d and the 15th game in ...urrent world chess ...onship is adjourned after ...es. Yesterday it ended ...w, proposed by the chal... and accepted by Karpov.

...de the piercing cold of ...ne night settles over the ...Italian spa town of ...Inside the thermal cure ...where the match is being ...ne court of world chess ...Not, it should be said ...conference hall upstairs, ...the two cerebral gladia... ...age war on stage. An ...e of 200-odd who have ...,000 (just over £2) ...for the privilege, sit in ...t silence.

...ov and Korchnoi come ...the same country, and ...from the same city of ...rad, but there the simi... ...ends. Their personalities, ...cent history of Russian ...and world politics have ...ed to set them irre... ...y at odds. The 30-year-old ...ion is child of the system ...e youthful advertisement ...success. The challenger, ...rcibly separated from his ...is the proof of its ...s.

...as Karpov who frustrated ...bitions of Korchnoi, 20 ...his senior, when he ...ed him in the final elimi... ...to challenge Bobby ...r for the world title ...years ago. But Fischer ...ew, leaving Karpov cham... ...y default. Within a year ...noi had defected to the ...to begin a battle with ...w that has not ended yet. ...1978 he triumphed over ...other top-ranked Soviet ...s—Spassky (the former ...ion), Petrosian and Polu... ...ky—to win the right to ...nge Karpov again. The ...in Baguio, in the Philip-

ANATOLY KARPOV has looked much more a genuine world chess champion in his current match than in the 1974 and 1978 series when he met Korchnoi. Then Karpov established commanding leads only to tire badly in the later stages. This time he has played calmly and soundly, with only occasional hiccups.

The ninth game, where he exploited the challenger's isolated pawn with an all court game of queen and rooks, was the best of the match, and compares well with strategic masterpieces of earlier title contests.

Karpov has showed only two hints of weakness: he rushed a move in game six to try to force a clock error from Korchnoi, and himself blundered; while Korchnoi's verbal aggression in the later stages of the match made Karpov hesistant and subdued. He missed a probably winning sacrifice in game 13 and a drawing resource, analysed in today's chess column, in game 14.

Karpov's overall match strategy has avoided the mistakes he made in Baguio in 1978, when he was obsessed by the need to conserve energy for a long match and lost the flow of his own style. His many tournament victories show that technically an competitively he is one of the greatest world champions and he could keep the title until well into the 1980s.

Korchnoi's play at age 50 no longer has the consistency needed for the very top. Periods of resolute defence, as in game 12, or innovatory attack, as in game 13, have been mixed with oversights and misjudgments. He blundered a pawn in game 2, tried to win a level position in game 4, and missed an obvious Karpov threat in game 14.

Korchnoi defected from the Soviet Union in 1976 with the daring and determined ambition to contend for the world title. He believed that Moscow officials denied him the chance he deserved. It has been a brilliant individualistic campaign, but it now seems to have failed. With hindsight, Korchnoi's one real chance was missed when he lost so narrowly in Baguio three years ago.

pines, was the longest and angriest in chess history, ending only after 93 days and 32 matches with Karpov a 6—5 winner.

Unbowed, Korchnoi has again beaten the cream of Russian chess to gain a new chance. But after 15 games in Merano, his hopes look slim. Already Karpov is 5—2 up and needs just one win for victory.

The match progresses in that fashion which makes world championship chess the wierdest of top sporting contests to the outsider. Play happens in fits and starts: a long inactivity, then a flurry of moves and exchange of pieces.

It is busier downstairs where the international chess circuit is in full swing. The centre of the action is the Press room, though that is a most imperfect description. There are two types of journalists: a tiny minority of the ignorant, and the experts. Not only do these latter know all the Grand Masters, they are the Grand Masters.

The dominating sound in the Press centre is not the clatter of typewriters, but the buzz of conversion from experts huddled over boards, animatedly discussing the options.

But as victory for their man seems more probable, even Karpov's handlers and helpers are more in evidence than earlier. There is Viktor Baturinsky, head of the delegation and widely said to be a big wheel in the KGB, cheerfully puffing a cigar. Polugayevsky—now one of Karpov's seconds—is there, and so is Mikhail Tal who in 1960 became the youngess-ever world champion at the age of 23. The mood is relaxed as Tal ambles over to watch the Americans, fiddling with the computer to see if it has any advice for Karpov or Korchnoi.

Indeed, Merano's cold war is not between Soviets and Americans, but between Russians who have stayed in Russia and those who have left. Downstairs they ignore each other icily, upstairs they fight icily.

It may seem absurd that feelings can run so high among two grown men shunting bits of wood around a board. But world class chess is draining at the best of times, demanding not just tip-top mental, but also physical, condition from contenders. And in the present case not even the hush and the soft carpets can muffle the animosity between Karpov and Korchnoi which can make even the most trivial incident potentially explosive.

This time there have been at least four: the champion's verbal offer of a draw in the third game which enraged Korchnoi (such proposals are usually made through the referee), a supposedly mocking smile from Karpov in the ninth game which had much the same effect and three games later alleged chair-squeaking by the champion. Later in the 12th game a verbal outburst by Korchnoi drew an official protest from the champion.

The two players' styles are, moreover, completely different. Where Korchnoi is intense and fiery, Karpov is calm and expressionless. "Look at them like great composers," said another grandmaster, "Viktor is all Wagner, and elemental fury; Anatoly is like Mozart or Bach, a player of great harmony." By common consent, the match has produced uneven chess that has rarely reached great heights.

But thus far at least, the storms of Baguio have been missing in Merano. Korchnoi himself has been meditating under the instructions of a lady from India's Ananda Marga sect (she has been dubbed here the "Tangerine Nun" after the robes she wears), and seems more placid than before. But the main reason is that this time the Moscow camp seems sure its man will win.

Korchnoi seems a less balanced player than three years ago, less able to sustain the continued level of excellence that alone will conquer Karpov, whose greatness no one disputes.

One powerful reason of course, is the tension over the challenger's family. His wife is still refused an exit visa to join him in Switzerland, the country under whose flag he is playing here. His son Igor is serving a 30-month sentence in the Gulag for avoidance of military service. "It's as if he's got two extra pieces," Korchnoi says bitterly. The pain must have been rubbed in on Thursday, when Irina, Karpov's wife, arrived in Italy.

The Soviet Press has stepped up the pressure by claiming that the challenger has offered his wife $550 a month not to file for divorce, and that he is openly living with the Dutch-born Petra Leeuwerik, who is here as secretary to his delegation.

Alternatively, there is gossip that relations are no longer so good between the player and his long-time companion. True or not, the talk proves that the Korchnoi camp has as much trouble in concealing its internal rows as does the Administration in Washington. As if to underline another contrast between East and West, the Karpov delegation is as leak-proof as the Kremlin.

In any case, the real battle is in the mind and there Korchnoi is losing.

The champion's entourage includes not just seconds, but a bodyguard, chef, interpreter, doctor and sundry unidentified KGB men but now the mandatory "parapsychologist" too, in the person of modest Cabanov from Leningrad University. "He's just a hypnotist sent in to upset Viktor," claim the Korchnoi team. Whatever the truth, the trick worked. Korchnoi took 70 minutes over a banal move in the 14th game, following Cabanov's arrival and lost disastrously.

It could yet be that the challenger will stage a miraculous comeback from 2-5 down as he did in Baguio, but few in Merano believe it. At 50, Korchnoi is probably too old to have another bite at the cherry. So who is next for Karpov? One name keeps coming up here, if he could be tempted out of retirement, that of Bobby Fischer. That would guarantee not just the fireworks that the world chess championships have made a habit, but a real East-West confrontation as well.

The 25-hour day of the U.S. business martyr

Why Reagan would be at home in Fleet Street

By Ian Hargreaves in New York

"I'm afraid it's had to be a working vacation again this year."

SIDNEY TOPOL is not wearing socks.

He, the chairman of Scientific Atlanta, is wearing shoes, black leather shoes, but is being interviewed by the Financial Times in the governor's suite of the Atlanta Hilton hotel and the Financial Times can see Mr Topol's ankles.

Mr Topol, indeed, has been caught in flagrante. He has just got out of bed.

The time being 7.30 am, this may not seem, at least to English readers, a wholly unreasonable state of affairs, especially as Mr Topol spent the previous evening hosting a cocktail party for 600 people.

But Mr Topol is a top American businessman and top American businessmen do not sleep, take vacations, have days off or spend afternoons shopping with their wives. Or at least, they do not do these things in public.

Naturally, in keeping with his pedigree, Mr Topol is keen to put the record straight, "I was up at 5, doing some work," he says three times. "I'm an early riser, I read yesterday's Wall Street Journal and I just shut my eyes again five minutes ago."

A couple of poached eggs later, socks or no socks, Sidney Topol is back on the ball, talking about the Global Village, booming markets and the importance of working hard and not making excuses.

The only unusal aspect of this story, readers ought to know, is the socks, symbolising as they do a rare act of confession. Most other U.S. executives, caught in a similar predicament, would have either yelled through the door something along the lines of "Won't keep you, we've been trying to get a line to Kampuchea for the last three days," or taken a cool 15 minutes to assemble full executive attire and then strolled out to fire the PR man for setting up an interview which clashed with another meeting.

Why American businessmen work so hard to prove they work so hard is one of the more engaging riddles of life in the United States. Maybe it is the Puritan ethic, but that would not explain why New York, which is as Puritanically ethical as Sodom on a Saturday night, is the U.S. epicentre for this form of behaviour.

In New York, the disease extends among stockbrokers to jogging, night-schooling, symphony-attending, party-going and many other breathless pursuits which come under the heading of "playing hard" or "realising your potential." Nor, of course, should anyone suggest that such conduct conflicts with the fact that most phones which ring in Wall Street at 4.55 pm are answered by cleaning ladies.

The sickness, though, is everywhere. Rising middle managers in Tennessee tell you with the pain of martyrdom that they get only two weeks of vacation a year, invariably adding with a triumphant sigh: "But I never have time to take it."

My favourite word on the subject came from a Fortune Magazine story on Harry Gray, the excellent chairman of United Technologies. An admiring colleague of Mr Gray said of his hard-driving boss: "Harry thinks a vacation is coming to work in a sports jacket."

At the time, this seemed like a wonderful, money-saving idea, but having sat at this desk wearing ski-gear for a couple of days, I have to report that it does not compare with the real thing. Still, I can almost hear Mr Gray's wife pecking him on the cheek as he leaves in the morning with: "Oh, Harry, you're wearing your Waikiki shirt again. Why don't you ever take me on these vacations?"

Casting stones, however, about this regime of disciplined hyperboles, does not pay, as the Wall Street Journal found out a few years ago.

The Journal decided to phone several chief executives on a Friday afternoon (Golf Day, sshhh) to be told that all were either "in meetings" or "out of town." Shortly afterwards, a rival newspaper tried the same on Dow Jones, owner of the Journal, and also found lots of out-of-town executives.

Notoriously lazy Englishmen, especially those whose brains have suffered mutation on Fleet Street, where people start work at 11 am, take lunch from 1 pm to 3 pm and enjoy six weeks' vacation per year, probably should not be caught debating this subject either. After all, would not BL be Toyota today had we known how to get up in the mornings?

But still a nagging voice insists that the Americans are overdoing it. This voice, in fact, nags loudest when in the presence of an executive who is droning on about his non-existent holidays and 25-hour days while sporting a sun-tan you could toast your hands on. Did he really get that tan analysing the marketing plan?

Anyway, since no one can accuse a Brit of affecting a superior air about economic performance, there's not much to lose in suggesting that America might get great again more quickly if only Americans stopped working so hard at the problem.

After all, and here I sense I am striking a chord among American businessmen, nobody worked harder than Jimmy Carter.

Now his successor, a man much admired for his "chairman of the Board" approach to running the White House, why, he wouldn't be out of place in Fleet Street!

Weekend Brief

rett's ...s ...ool

...of this week's boardroom ...s at Debrett's, chronicler ...e 1769—of the British ...racy, sent a shiver ...h the shires and a ...er through the glens. But ...nothing to disturb the de... ...ur of Debrett's new chair... ...Mr Ian McCorquodale. ...row occurred at a three... ...oard meeting, after which ...confirmed that Debrett's ...managing director, Mr ...Brooks-Baker, would ...acked, though technically ...ing a director until the ...s have sorted out the ...

...past eight months, said ...rooks-Baker, had been a ...tmare." There had been ...in payments to authors—... ...h that problem has been ...3. And he could not agree with some of Mr McCorquodale's publishing plans.

Apart from Mr Brooks-Baker, seven more staff have gone, for over the past two years Debrett's has lost heavily.

"Who would have thought," said Mr McCorquodale when the dust had settled, "that a small and by no means prosperous publishing house could generate so many column inches. I had the Sunday Times here this morning. A terribly pleasant young man. Tomorrow it's Jean Rook."

At the heart of the dispute, he says, was a fundamental disagreement between himself and Mr Brooks-Baker, who together with Mr Robert Jarman, now Debrett's sole managing director, bought the company from IPC in 1976.

The disagreement, says the chairman, who was brought in in May, concerned Debrett's future path: whether, in Mr McCorquodale's words, Debrett was to continue publishing "pretty and elegant and aristocratic-type" spin-offs from the company's main title, Debrett's Peerage and Baronetage, or to concentrate on a strictly limited range of titles that showed adequate profits.

Mr McCorquodale was brought in by London Trust Company, which earlier this year paid £150,000 for a 75 per cent stake in Debrett's, the rest of the shares remaining with Mr Angus Mackenzie, a Canadian oilman, who had come to the aid of Messrs Brooks-Baker and Jarman when Debrett's encountered trouble.

Ian McCorquodale

London Trust is a classy affair, whose portfolio, at March 31, was valued at £134m. Its directors include Angus Ogilvy, husband of Princess Alexandra, and Professor Roland Smith.

Mr McCorquodale is the son of Barbara Cartland—"probably the world's best-selling living author"—and thus a half-brother of Countess Spencer, stepmother of the Princess of Wales.

According to its chairman, Debrett has recently lost heavily. Its Book of the Royal Wedding did handsomely enough, selling more than 200,000 copies at £8.95 each.

But other spin-offs—including books on Fabergé, falconry, and Queen Victoria's Jubilees—did not do well.

The aim now is to concentrate on Debrett's Peerage and Baronetage, the last edtion of which has sold 7,000 copies, plus well-selected spin-offs that can be made to show a profit before they hit the book-stands.

As examples, Mr McCorquodale cites Debrett's Book of Stately Homes, due next autumn, for which the initial print order is 150,000; a forthcoming book on royal babies; and a series on great hotels of the world, starting with the Palace in St Moritz.

Apart from running Debrett's, Mr McCorquodale is the business manager of his mother, who has dictated 20 books already this year and hopes, by next Christmas, to launch a range of franchised fragrances via Helena Rubenstein.

"Noel-Thompson," he mused to me as I left his office. "One of the Thomsons of Canada?" No, I said, feeling suddenly unfurnished.

ING AR...

...oble Roman ...perty ...eloper

...occasional unscrupulous ...oper has been known to ...in the demolition men at ...of night before an his... ...building can be listed or ...eglect allow decay to take ...ourse. But in the City of ...on those who are building ...uture and those who are ...ng into the past have ...k up a fruitful relationship. ...t only did English Property ...oration and the National ...ident Institution give the ...eologists of the Department of Urban Archaeology at the Museum of London £80,000 to excavate the muddy gap in the office blocks between Upper Thames Street and Pudding Lane on the north bank of the river. They gave the extra time to find what is believed to be a pier foundation of the original Roman Bridge across the Thames.

"The developers have done everything they possibly could to help us," Mr Gustav Milne, the site supervisor, explained as he displayed a Roman quay which still looks solid enough to moor a ship.

"We were due off the site in July but the building plans had been delayed. They offered us extra time.

The value of this gesture became clear last week when the wooden structure began to emerge from the mud at right angles to the quay.

By next week Mr Milne hopes he will be much more certain once he has been able to confirm that there is indeed hardcore inside the wooden frame. A pier foundation bearing a bridge would have to have had hardcore.

The find probably confirms theories going back to the 1830s that the Roman bridge across the Thames—very close to the existing London Bridge—was on the same line as the former medieval bridge across the river.

The light is fading now and the weather is getting bad for excavation 30 feet below street level. The archaeologists plan to use chain saws to extract samples of wood which can later be dated by studying the tree rings and leave the site by the end of the month.

The planning application for a 10-storey office block on the site comes before the planning committee of the City of London Corporation on November 24 and if successful on to the Court of Common Council for final approval.

"We wanted to give the archaeologists as much time as we could to find as much as they could. I'm very glad they found what they were looking for," a spokesman for English Property Corporation said.

The piledrivers will probably start to destroy the two feet square timbers of the Roman quay and bridge structure—too heavy to move to a museum—sometime in early 1982.

...ket ...ef on ...way

...living in Britain for ...y two years, my pockets ...been just about ruined by ...uge, fat British coins. Com... ...the size, weight and pur... ...ng power of a 2p coin with ...European or American ...and the result is a joke. ...heavier 10p coin is worse; ...n't even buy a chocolate ...

...cket relief, however, is on ...way. A Royal Proclamation ...month will formally intro... ...two diminutive coins. ...will be a round, pale ...w £1 coin and a heptagonal ...r 20p coin. Both will be ...ler in diameter than the ...ent 5p piece.

The new coins signal the final demise of the traditional weight-to-value standard in the UK. The 20p coin, which will be released next June, will weigh 5 grams, or 70 per cent of the weight of a 2p coin. The new £1 coin will be 9.5 grams, some 85 per cent of the 10p coin's weight and 70 per cent of the 50p coin's. The small £1 coin, featuring the Royal Arms, will be unveiled in April, 1983.

Since January the Royal Mint has been checking with large-scale cash handlers to make sure they were happy with the proposed coins.

A Mint official noted that the present £1 has less purchasing power than the old 10 shilling note had when it was replaced by the 50p coin in 1969. Its equivalent in most major currencies is a coin and, he added, £1 coins will be cheaper to maintain in circulation than notes.

Although light, the new £1 will be chunkier than any other coin, in fact a third thicker than the 50p. It will also widen the range of goods which could be sold through vending and ticket machines.

A 5p piece compared with the new £1 and 20p coins

The 20p is essentially aimed at the old sixpence market; it is hoped that the new coin will be the "chocolate bar and bus ticket" coin which will keep pocket janglers happy but reduce the wear on seams.

One of the realm's largest handlers of coins—the Post Office—is already laying plans for the new pieces. Sorting and packaging machines, which turn coins into Polo-like rolls, will be modified and more trolleys for pushing the stuff around will be bought. In fact, the traffic is expected to be so much heavier in the beginning that the Post Office is planning to strengthen its floors.

British Telecom says it will be watching the popularity of the coins before it changes any of its existing pay-phones. Table-top pay-phones, however, which will be introduced at the end of 1982, have already been designed to accommodate the new coins.

Contributors:
Michael Thompson-Noel
Raymond Snoddy
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Morland advances to £1.5m

A RISE in second-half profits from £747,673 to £805,843 brought the total for the year ended September 30 1981 of Morland and Co. to £1.52m compared with £1.37m. Turnover for the 12 months moved ahead from £10.11m to £11.6m.

The final dividend of this brewer and wine and spirit merchant is being increased to 3p (2.75p) net per 25p share making 4.5p (3.75p) for the year. Earnings per share are given as 12.4p (9p).

Tax took £524,175 (£647,533) and after extraordinary credits of £84,199 (£249,481) attributable profits emerged at £1.06m (£974,553).

Current cost adjustments reduced taxable profits to £1.42m (£1.27m).

The company's freehold and leasehold properties were revalued as at the year-end, producing a surplus of £9.01m which has been transferred to the capital reserve.

Pennine capital restructure to bring dividends

The resumption of dividends is foreshadowed in the report of Pennine Commercial Holdings for the half-year to August 30 1981, in which it returned £103,000 in the black against £51,000 losses for the immediately previous 13 months.

Turnover of the petrol retailing, leisure and property group, which has made a number of substantial acquisitions this year and last, soared to £3.01m as opposed to £1.29m for the longer comparative period.

In view of current trading prospects the board intends in the coming months to propose a capital reconstruction which will enable dividend payments to be resumed.

No distribution has been made since 1974. Earnings per 10p share this time are given as 0.16p net (0.17p losses).

With trading in the second half so far satisfactory, the directors see the group as poised to reap the benefits of new business strategies successfully implemented during the past year. A further significant improvement in profitability is anticipated.

Marketing has commenced on its Spanish time-sharing holiday programme, in which shareholders will shortly be offered an opportunity to participate at a discount.

In the property division substantial progress is reported in improving investment income, and this is expected to enhance capital values.

Tax took £42,000 (nil).

Dwek returns to profit at six months

Steps taken to reverse the losses of 1980 have met with some measure of success for Dwek Group, the PVC sheeting and household goods concern. For the first half of 1981, the group has made a pre-tax profit of £49,000, compared with a loss of £105,000 last time, while turnover rose from £4.78m to £6.2m.

The board attributes the return to profitability to the reduction in fixed overheads arising from the rationalisation of the group's distribution facilities in the south, as reported earlier this year, coupled with an increase in sales volume.

However, the rapid decline in sterling against all major currencies has adversely affected the half-year results and continues to exert unfavourable pressure on margins.

There is again no tax payable on the first-half results.

For 1980, the group incurred a pre-tax loss of £350,901 (£280,304 profit) and omitted the dividend (0.2432p net the previous time).

Stewart Ent. £69,000 start

Net profits of Stewart Enterprise Investment Company, which came into being earlier this year as a result of the reconstruction of the former Scottish European Investment Company, reached £69,000 in the half year to September 30.

The board stresses that the figures should not be taken as representative of a normal half year as they include income from the old company up to the time of reconstruction. This had incorporated a scheme of arrangement and a placing of 6.33m shares by Lazards, and was approved on June 1.

The profits came after tax of £87,000 and expenses and interest charges amounting to £45,000. Because of the changes no comparative figures could be provided.

As previously announced, an interim dividend of 0.2p net per 10p share will be paid.

TV SOUTH

Applications in respect of up to 50,000 of the units offered for subscription by Television South last week have been alloted in full. The remainder have been scaled down by about 1 per cent. Allotment letters will be posted on Tuesday November 17 and separate dealings in the non-voting shares and loan stock will begin on November 17.

DANAE INVEST.

The unaudited net asset value per income share of Danae Investment Trust was 34.46p as at October 30 1981.

Steel division losses help push F. H. Lloyd into red

STEEL DIVISION losses and higher interest charges helped to cause a downturn at F. H. Lloyd Holdings from taxable profits of £237,000 to losses of £353,000 in the 26 weeks ended September 26 1981. However, this represented an improvement over last year's second half when a deficit of £491,000 was incurred.

The interim dividend is being missed again—last year a final of 0.5p net per 25p share was paid. Earnings per share on a net distribution basis, after ACT adjustment, are given as nil (0.7p).

Mr Robert H. Foster, the chairman, says that overall he anticipates trading results for the current six months to show an improvement on the poor results of the corresponding period last year, and that given a measure of industrial stability and growth he expects this improvement to continue in the next financial year.

Turnover for the six months was £31.19m (£32.05m) of which the foundries and services division contributed £16.13m (£17.46m) and the engineering and steel division £15.05m (£14.59m). At the trading level the former made profits of £571,000 (£351,000) and the latter losses of £173,000 (£226,000 profits).

Mr Foster says all the group's foundries traded profitably and should continue to do so in the remaining six months. The major reorganisation over the last three years to reduce capacity will enable this division to maintain its profitability during present trading conditions.

The group's engineering companies generally maintained their contribution to group profits. The quarry plant company suffered severe competition in its export markets but the directors are anticipating an improvement in the second half of the year.

The steel companies were primarily responsible for the major downturn in trading results last year, Mr Foster says, and will continue to be a principal factor in the group's performance. Mini Mills improved its output and Lloyds (Dudley) is currently trading profitably. The high reduction mill at Wednesbury still has operational problems, but output of tube rounds is increasing and a third strand to complete the casting lines has recently been ordered to improve efficiency and further increase output.

Taxable profits were arrived at after an exceptional debit of £273,000 (£115,000) and interest payable of £478,000 (£267,000) net of £129,000 tax repayment supplement. Last year there were associates' profits of £42,000.

After minority interests of £37,000 (£73,000) attributable losses emerged at £390,000 (£164,000 profits).

Total borrowings at September 26 were £8.75m compared with £10.45m at the end of March.

• comment

F. H. Lloyd goes on with its rationalisation, at a cost at the halfway mark of £273,000. It makes the point that the steel division will continue to be a principal factor in its performance but the attention which has been focused on the new mini-mills, major shareholdings and avoidable boardroom upheavals will now shift to the dominant foundry division. Its profits here have risen encouragingly at the interim stage as a result of the three-year slimming programme, and the group believe that its foundries will stay comfortably in surplus during the rest of the year. Steel casting has been a very good source of profit for much of the past decade and accounts for, perhaps, £17m of funds employed or around half the group total. Operating profits of, say, £1m this year will not offer very much more than a minimal return on capital but, then, the rest of the sector is struggling to break even. As the largest producer Lloyd's voice will almost certainly be decisive in the success of the industry rationalisation plan from which both "openers" and "closers" can expect long-term benefits. At 34p the shares are unlikely to move very much until the guts of the plan are unveiled by Lazards nearer the end of this month.

London operations hit De Vere

PRESSURE ON the London operations of De Vere Hotels and Restaurants — notably at the Connaught Rooms — is held responsible for much of the sharp fall in profits experienced by the group in the nine months to September 30 1981. At the pre-tax level the plunge was from £615,704 to £43,474.

The interim dividend is nonetheless maintained at 3p net per 25p share, last year's total of 6p having been paid from a taxable surplus of £1.24m.

The directors say the uncertainties caused by the recession make any forecast extremely difficult. However, they are confident the company's financial strength will allow it to restore profits to former levels as soon as the economy recovers.

Difficult trading in London, to which they drew shareholders' attention a year ago, had increased although there were some signs of improvement in the past two months. Efforts are continuing to counteract the adverse position.

The Boulevard Restaurant and Copper Grill in its Wigmore Street property have been let out at a favourable rent.

Trading profits overall dropped from £2m to £1.44m on turnover only slightly lower at £14.09m against £14.81m. Investment income again provided £25,496. Charges for repairs, renewals and depreciation amounted to a similar £1.43m (£1.41m).

The board has reconsidered its policy, introduced last year, of allowing depreciation for all its freehold and leasehold properties.

It now believes that because of the continued practice of fully maintaining these properties and after reviewing their anticipated useful lives and residual values, any depreciation is insignificant. This time it has depreciated only those which are leasehold with less than 50 years to run, and the 1981 charge for depreciation has accordingly been cut by £136,989.

Exposure has been reduced in the West Midlands with the sale of the Manor House Hotel at Leamington Spa. This provided a surplus over the December 1980 revaluation of £250,000 which has been credited to the capital reserve.

Tax took £17,390 (£246,281), leaving £26,084 (£369,423). Together with the balance brought forward at the beginning of the year, less £347,823 each time in respect of dividends, reserves stand at £5.48m (£5.66m).

• comment

This year the hotel industry has turned out a harrowing series of monthly occupancy figures, establishing successive ten-year lows with ease. De Vere's nine-month performance therefore had every reason to be poor, which indeed it is: pre-tax profits have slipped to a mere 3.3 per cent of the 1979 peak. In fact the trading results are somewhat worse than these figures suggest, since the board has twice in the last year changed its mind over the proper treatment of depreciation, each time with beneficial effect on stated profit. On an accounting basis consistent with last year, De Vere would now be showing a loss of £93,000. Trade has picked up since August; with a following wind there might be a full-year profit of £0.6m. The shares stand at 185p (down 5p) where the prospective fully-taxed multiple is not far short of 80. That kind of price is sustained by permanent bid expectations and assets of 340p a share. Yet the asset backing is some 40 times the highest earnings that the assets have ever generated (fully-taxed): a fairly effective bid-deterrent.

Stothert deficit at £2.26m

ALTHOUGH pre-tax losses of Stothert and Pitt, the engineering group, increased from £1.45m to £2.26m for the year to June 30, 1981 the directors say current projections show a steady improvement and they expect the company to be trading at a modest level of profitability by the end of 1981-82.

This reiterates the forecast made at midway when losses totalled £1.05m (£0.97m) and no interim dividend was declared. To conserve cash the final is also omitted. Last year a single payment of 1p net per £1 share was made.

Turnover for the 12 months under review advanced from £23.92m to £24.18m and the pre-tax deficit was struck after charges for depreciation of £412,000 (same) and for interest of £954,000 (£658,000).

Tax took £167,000 (£5,000) while extraordinary items absorbed £291,000 (£87,000). These represent redundancy payments of £335,000, partially offset by £18,000 prior year provisions no longer required and a £26,000 profit on the disposal of surplus assets.

The loss per share is stated at 94.7p (56.6p) and the directors describe the results as extremely disappointing. They say that, together with last year's loss, they constitute a major drain on the group's resources.

"The year has been one of the most difficult trading periods in the history of the company and the measures which have had to be taken to reduce overhead and operating costs and ensure a return to profitable trading have, in some cases, been very painful."

However, the company is now seeing the benefits of these actions and the board believes it is in a much stronger position from the competitive point of view than it was a year ago.

A great deal of progress has been made and the immediate task is to complete the realisation of surplus assets, they say. This will enable the company to reduce borrowings and, when that has been done prospects "will be not only improving, but also encouraging."

John Beales back in black: resumes dividend

FOLLOWING John Beales Associated Companies' rationalisation programme, sales fell from £7.45m to £4.92m in the half-year ended September 19 1981 but at the pre-tax level the company turned round from losses of £260,000 to profits of £57,000. For the whole of last year taxable losses of £338,000 were incurred.

An interim dividend of 0.5p net per 20p share is to be paid by this manufacturer of Marathon brand clothing—the first distribution since 1979. Earnings per share are given as 1.3p basic and 1.2p diluted.

Mr G. H. Bignall, chairman, says the reduced turnover results mainly from the elimination of the Full Fashioned Knitwear division and a severe reduction in the group's brand range. The figures exclude the results of five months' activities of Nottingham Refrigeration which since it was acquired in April traded in line with expectations.

There are still difficulties to be overcome Mr Bignall says, though following the rationalisation programme the group will continue to make progress. The trading position has improved and order books look healthier.

Pre-tax profits were struck after interest received of £46,000 (nil) and interest paid of £35,000 (£148,000). This decrease in debt servicing charges reflects an increase in cash balances arising from reduced working capital and the sale of two factories for £200,000.

Tax took £1,000 (£135,000 credit) leaving net profits of £56,000 (£125,000 losses).

Wire and Plastic little changed in first half

WITH TURNOVER static at £1.19m, against £1.21m, pre-tax profits of Wire and Plastic Products were little changed at £170,411 for the first half of 1981, compared with £175,321 which included £6,000 abnormal profits.

The board says that net profits for 1981 are expected to be not less than for last year, when profits totalled £379,099, before tax of £140,258.

Tax for the half-year took £85,465 (£81,871) giving an attributable balance up from £93,450 to £104,946.

As known, the net interim dividend is being stepped up from 0.73p to 0.85p per 10p share — last year's total was 1.95p.

The board reports that some group factories are still on short time, although the current situation is better than at the beginning of 1981. Three operating divisions were less profitable but some improvement is now apparent, while the remaining sections of the business, including extensions in 1979, turned in increased profits.

The company's financial position remains strong, the board states. Despite a virtually maintained turnover, stock and work in progress fell by £154,000 while debtors showed only a marginal increase. In total, net current assets were up by £237,000 to £912,000.

A professional re-valuation of the group's freehold properties revealed a revised total value of £805,900, compared with the book figure of £594,835. The new value will appear in the group's 1981 accounts and the surplus of £211,065 added to reserves.

Gas and Oil Acreage loses £0.1m pre-tax

For the first half of 1981 Gas and Oil Acreage, the shares of which are quoted on the Unlisted Securities Market, made an operating profit of £111,000, against a loss of £379,000 for the previous full year.

However, after charging net interest payable of £230,000 (£31,000 received) and a provision of £67,000 for deferred supplementary petroleum duty and petroleum revenue tax, the company turned in a pre-tax loss of £119,000. This compares with a £348,000 deficit for 1980.

There were no overseas tax charges (£25,000) or extraordinary items (£35,000 credits) and stated loss per 20p share was 2.86p (5.74p).

Crude oil sales for the half year, net of Government royalty, were £644,000 (nil).

The operating result was struck after £264,000 for amortisation against the Buchan Field development and abandonment costs.

Mr C. A. E. O'Brien, the chairman, says crude oil production from the Buchan Field commenced on May 21 1981 and during the period to June 30 produced in excess of 1.5m barrels. Production to date amounts to more than 6m barrels.

A seismic survey has recently been completed on UK onshore licence areas XL 128 and XL 129 and a similar survey is currently being carried out on area XL 140. The company has a 50 per cent stake in each of these.

In the UK sector of the North Sea the semi-submersible drilling rig Treasure Swan is on location on block 16/21B to drill the first well under this licence. The company has a 12.5 per cent interest in the licence, which was awarded under the Government's seventh round earlier this year.

Payout up at G.R. Holdings

AN INCREASED dividend is being paid by G. R. (Holdings), sheepskin and fur merchant, where pre-tax profits slipped slightly for the year to June 30 1981 but emerged higher at the attributable level.

On turnover of £23.49m, against £24.48m, the taxable surplus was £2.74m (£2.99m). Tax of £1.04m (£1.55m) and an extraordinary credit of £20,813 last time brought the balance to £1.7m (£1.46m). Credits for minority interests then took attributable earnings marginally higher again at £1.71m (£1.47m).

A final dividend of 5.4p (5.2p) net per 25p share lifts the total from 6.8p to 7p. Earnings per share are stated as 37.3p (31.5p).

Pre-tax profits midway were 11 per cent lower at £1.35m. CCA adjustments improve the year's after-tax figure to £1.72m.

Better trend at Bridgend Processes

Bridgend Processes cut pre-tax losses from £99,861 to £85,234 in the first half of 1981 and the directors expect a significantly reduced deficit for the full year. They also forecast a return to profits in 1982, if progress is maintained.

There was no mid-term tax charge, compared with £1,500, and the interim dividend has again been omitted.

Turnover more than doubled from £216,109 to £508,710 but costs have also increased, and it has been necessary to invest both in machines and people in order to service a much larger operation.

While the security companies have expanded considerably, the plastics company has been held back by the delay of several important contracts, due to the cut back in government spending.

However, the most penal effects have been caused by high interest rates and a steep increase in rate demands.

No further payment, as yet, has been made to the group resulting from the sale of three subsidiary companies, as their tax position has not yet been finalised with the Inland Revenue.

If this can be achieved the cash position of the company should be greatly improved with increased scope for expansion.

Clyde Blowers moves ahead to £355,684

Taxable profits of Clyde Blowers, maker of steam and soot blowing equipment, advanced from £266,581 to £355,684 for the year to August 31, 1981, on higher turnover of £3.73m, compared with £2.99m.

Profits included investment income of £74,969 (£59,845) and tax took £57,379 (£129,159). The attributable balance emerged well ahead from £137,422 to £298,305.

Stated earnings per 25p share climbed from 12.08p to 21.03p, while the dividend total is raised to 5.6397p (5.12685p) with a final of 4.81285p net.

BIDS AND DEALS

Kennedy Brookes buys restaurant chain from Dalgety

MOST OF the well-known Mario and Franco Italian restaurant chain, including Villa Augusta and Terrazza, is being sold by Dalgetey Spillers to Kennedy Brookes, a fast-growing catering company which was introduced to the Unlisted Securities Market last July.

The total cost for Mario and Franco's nine London restaurants —the Manchester and Leeds Terrazzas are excluded—is £1.05m, subject to adjustments mainly dependent on net current liabilities.

Kennedy Brookes is to issue up to 921,052 shares—31.7 per cent of the enlarged capital—at 114p per share, of which 300,000 are to beplaced and the remainder will be retained by Dalgety.

Mario and Franco was formed in June 1959 to bring the ebullient atmosphere of trattorias and high quality Italian food to London. The chain expanded through the 1960s, many of the restaurants becoming very fashionable. Three of them have been awarded three crossed knives and forks by Michelin and the rest have two.

In 1973, the chain was sold to Spillers for about £2m. It remained profitable until its last year to June 1981 when it lost £398,170 on turnover of £3.9m. Of this loss, £106,000 was due to the closure of a branch.

At June 27 1981, the fixed assets, including freeholds on two of the restaurants, were valued at £1.66m and Kennedy Brookes will take over a £500,000 loan. Net current assets on June 27 were £211,000.

The deal is subject to the approval of Kennedy Brookes' shareholders at an extraordinary general meeting on December 11, at which an increase in authorised capital will be proposed.

Kennedy Brookes operates 22 restaurants, including Newports in Knightsbridge, and an up-market outdoor catering business that includes the Henley Regatta among its clients.

Although the group's preliminary results have not been published, Mr Michael Golder, chairman, said turnover in the year to October 31 1981 exceeded £3m compared with £1.7m the previous year. Mr Golder has forecast profits in excess of £200,000 for 1981 against £125,000.

He said yesterday the Mario and Franco acquisition was the biggest test of the company's management skill to date but he thought it could be turned to profit this year.

"We are not looking for any dilution in our earnings per share," he said. He expected to make significant savings on overheads, financial charges and to benefit from group purchasing.

Mr Tony Spalding of Dalgety said the chain was sold because it did not fit into the group's startegy of food manufacturing.

"There is a danger that you fall in love with things like restaurants. Maybe many of us would like in our heart of hearts to be restaurateurs, but we are not. We are in agriculture and food." A senior Dalgety executive will join the Kennedy Brookes board.

Kennedy Brookes shares dropped 5p yesterday; Dalgety shares were unchanged at 301p.

SHARE STAKES

Yule Catto—Lord Catto has purchased 66,666 ordinary shares at 75p.

Alexander Howden Group—Alexander and Alexander Services Inc. acquired a further 50,000 ordinary shares, taking holding to 5.48m (6 per cent).

F. W. Woolworth—J. H. Bradwell, director, sold 50,000 ordinary and Geoffrey Rodgers, director, sold 42,000.

F. Austin (Leyton)—Mr Frank Austin, director, disposed of 300,000 ordinary. Mr John Austin, chairman, has acquired 300,000.

Arrow Chemical Holding—Mr J. K. Farrow sold 200,000 shares.

London Shop Property Trust—Sir Peter Mursell trustee disposed of 13,236 ordinary and £3,444 6½ per cent convertible unsecured loan.

Rentokil Group — Sophus Berendsen a/s director acquired 20,000 ordinary and now holds 52,855,000.

Appleyard Group — South Yorkshire County Council superannuation fund has acquired 450,000 ordinary (5.63 per cent).

Murray Caledonian Investment Trust—As a result of a recent purchase Equitable Life Assurance Society holds 92,540 B ordinary shares (6.08 per cent).

R & J Pullman—The family interests of M. A. Hope, chairman, has acquired 79,250 5p ordinary shares.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
John Beales ....int.	0.5	Dec. 11	Nil	—	Nil
Clyde Blowers	4.81	Jan. 5	4.3	5.64	5.13
De Vere Hotels ......int.	3	Jan. 4	3	—	6
G.R. Holdings	5.4	Jan. 21	5.2	7	6.8
F. H. Lloyd ....int.	Nil	—	Nil	—	0.5
Morland	3	—	2.75	4.5	3.75
Stothert and Pitt	Nil	—	1	Nil	1

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

Gencor in agreement with TCL

Agreement has been rea[ched] regarding the deal whe[reby] South Africa's General M[ining] Union Corporation (Gen[cor]) group is to acquire the asb[estos] interests of Transvaal Con[soli]dated Land and Explora[tion] (TCL).

In return the latter [will] acquire from Gencor a port[folio] of listed investments w[orth] approximately R30m (£16[m]). In addition, Gencor will arr[ange] to settle a loan of some R1[...] due to TCL from an asb[estos] subsidiary company.

The TCL asbestos inte[rests] will be put into the Ge[ncor] group's Griqualand Explor[ation] and Finance (Gefco) in exch[ange] for shares in the latter. [...] holders are to be offered a r[ights] issue of 75 new ordinary s[hares] at 200 cents for every 100 [...] The offer is expected to be [made] during January 1982.

CHURCHBURY/ LAW LAND

Churchbury Estates rec[eived] acceptances in respect of 3[...] ordinary shares of Law L[and] representing 78.97 per cent o[f the] equity, by 3 pm on Novemb[er ...] —the final closing date of [the] offer.

Prior to the offer Church[bury] held 3.36m Law Land ordi[nary] shares (8.6 per cent) and it t[here]fore owns or has received a[ccep]tances in respect of 87.57 [per] cent of the ordinary [share] capital.

Parties acting in concert [with] Churchbury acquired a tot[al of] 2.38m Law Land ordinary sh[ares] during the offer period, a[ll of] which are included in the a[ccep]tance figure.

Acceptances for the prefe[rence] offer have been received [for] 334,365 shares, or 95.53 per [cent] of the Law Land prefer[ence] share capital.

The preference offer rem[ains] open for further acceptance[s]. Churchbury intends to i[mple]ment the provisions of Se[ction] 209 of the Companies Act, to acquire those Law Land [pre]ference shares for w[hich] acceptances have not [been] received.

GENERAL TIRE/ HALLITE HOLDINGS

General Tire and R[ubber] Company (South Africa) y[ester]day extended its 200p per [share] cash offer for Hallite Hol[dings] for two weeks until Nove[mber] 27 and announced that the [offer] would not be increased.

General Tire has rec[eived] acceptances in respect [of] 193,732 Hallite shares whi[ch to]gether with the shares o[wned] before the offer takes its [hold]ing up to 28.08 per cent.

WOODRUSH/ABWOO[D]

Woodrush Investments reconsidered the proposal [pub]lished on October 22 to subs[cribe] for new shares to be issue[d by] Abwood Machine Tools.

The directors of Abwood [and] their advisers Brown, Sh[ipley] and Co stated at the time [that] they believed the proposals [were] in the best interests of the [com]pany and its shareholders [and] recommended shareholders [to] vote in favour of the resol[ution] to implement subscription.

Results due next week

The market is expecting Unilever's strong recovery this year to slow somewhat in the third quarter. Pre-tax profits for the three months ended last September, which are reported next Tuesday, should fall in the £168m to £174m range, against £151m last year. The strength of the dollar will not have helped margins in the edible oil and detergent businesses while the oil seed milling side has been hit by a lacklustre U.S. soyabean harvest. Further, ice cream sales in the quarter were far from brilliant. Balancing this, however, have been Unilever's activities in Third World countries which continue to move like a train. Unilever is also seeing the end of the downturn in chemical and paper activities in Europe. An excellent U.S. soyabean harvest this years points to continued advances for 1982. The interim dividend will be announced with these figures and the market expects a maintained guilder pay-out which would point to a PLC dividend of 9.83 net against 8.94p last time. For the full year, analysts predict about £700m pre-tax, before currency gains, against £572m last year.

Beecham, which reports interim figures on Wednesday, is expected to show a creditable advance to £75m to £80m for the six months ended last September, against restated figures of £64m. The group has seen continued growth in antibiotic sales and a pick-up on the consumer product side. The U.S. operations were helped by strong sales in certain pharmaceuticals, while progress in Japan has also been respectable. The Aqua-Fresh losses are expected to have been reduced and Bovril should show a first-time contribution to profits this year. For the full-year, Beecham could produce pre-tax profits of £175m, against £150m last time. The market is expecting a dividend rise, possibly to 7.5p or 8p for the year as opposed to 6.66p per share last year.

Boots' retail stores are suffering from the recession in the retail trade but thanks to new store openings volume was probably unchanged in the first half. On the industrial side, some profit recovery is expected, partly because of the effect of more favourable exchange rates on overseas income and partly because the losses of the agro-chemical business have been reduced since it was reorganised last January into a joint venture with Fisons. Boots' interim pre-tax profit may be £51m compared with £47.5m last time, and a small increase in the interim dividend seems likely.

The nine month figures from Royal Insurance, out on Monday, are expected to show a different pattern from both the Commercial Union and from General Accident, which reported this week. Underwriting losses could more than double from £25m to £60m, with Canada rather than the U.S. as the problem territory, accounting for half these losses. Losses in the U.S., which had been well contained in the first half, are expected to rise to around £25m following a worsening situation in the third quarter. The UK account should still show good underwriting profits for the nine months, despite a small expected loss in the third quarter as competition intensifies. But pre-tax profits should comfortably exceed the £92m at last year's nine month stage by around £5m, thanks to the £10m income from the rights issue which should boost investment income by one-third to £141m.

After last week's announcement of the 38 per cent rise in interim profits of J. Sainsbury, Tesco's results, due on Tuesday, are once again going to look weak by comparison. Analysts are looking for a bit of growth in Tesco's first half profits, but not much after the £3m upward restatement of last year's £11.4m to spread out the effect of discounts from suppliers. [The] group's margins have impr[oved] but at the expense of a con[tinu]ing fall in market share d[uring] the period. Interest charges remain high because of [the] ambitious building progra[mme] but stocks of non-foods shoul[d be] well down. The pre-tax p[rofit] may be £16m and a s[mall] increase in the interim divid[end] held last time at 1p, would [be] helpful.

Third quarter results [from] Shell, to be reported this Th[urs]day, are expected to show s[ome] improvement over the sec[ond] quarter. Including stock ap[pre]ciation and currency transla[tion] effects, the market is expec[ting] between a declared net inc[ome] of £520m and £550m, aga[inst] £384m last year. Stripping [out] FAS 8, the underlying [...] varies from £300m-£325m. [Ad]vances from Shell Oil, amoun[ting] to about £40m, should offse[t the] downturn at Shell Canada. T[here] has also be na good recovery [in] downstream operations. For [the] full year, the market expects income of about £1,650m. [The divi]dend for the full year is expected to be budged.

Among other results due n[ext] week are interim figures fr[om] Land Securities Investment Tr[ust] on Monday, Acrow and Sa[voy] Hotel on Tuesday and W. [H.] Smith on Wednesday.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Akroyd & Smithers	Thursday	3.5	11.5†	3.5
Barton Transport	Wednesday	—	16.5648	—
Bolton Textile Mill	Monday	—	1.25	—
Duple International	Thursday	2.8	3.0	1.4
Equity Income Trust	Wednesday	5.0	11.0	5.0
Gen. Stockholders Investment Trust	Wednesday	1.2	2.5	1.2
Gleeson (M. J.) Contractors	Thursday	0.9	1.86	1.0
Higsons Brewery	Tuesday	0.4	2.84	0.4
Northern American Trust	Thursday	1.2	3.4	1.3
Stockholders Investment Trust	Thursday	1.25	2.25	1.25
Wade Potteries	Wednesday	0.5	1.5	0.5
INTERIM DIVIDENDS				
Acrow	Tuesday	—	0.75	
Allied Leather Industries	Thursday	1.75	3.75	
Beecham Group	Wednesday	3.096	3.57	
Black Arrow Group	Thursday	0.9	1.6	
Boots	Thursday	2.375	4.625	
Braby Leslie	Thursday	1.0	1.5	
Bromsgrove Casting & Machinery	Monday	0.75	1.5	
Brown Shipley Holdings	Wednesday	2.75	3.75	
Brunning Group	Thursday	1.575	2.45	
Chamberlin & Hill	Wednesday	1.1	1.65	
Davis (Godfrey)	Thursday	2.0	1.5	
Elliott (B.)	Thursday	5.0	3.0	
Ferguson Industrial Holdings	Monday	2.2	3.3	
Flight Refuelling Holdings	Wednesday	0.85	1.6	
Geers Gross	Monday	1.5	2.5	
GEI International	Tuesday	1.76	3.555	
HAT Group	Tuesday	1.25	1.25	
Land Securities Investment Trust	Monday	2.5	7.0	
LCP Holdings	Tuesday	1.8	2.5	
Locker (Thomas)	Thursday	0.25	0.8125	
London Trust	Wednesday	1.25	2.25	
Nova (Jersey) Knit	Friday	2.0	2.5	
Pawson (W. L.)	Monday	—	—	
Porter Chadburn	Thursday	1.3	1.3	
Powell Duffryn	Thursday	4.7	9.55	
Pyramid Group (Publishers)	Thursday	0.577	2.223	
Renold	Thursday	2.0	—	
Security Centres Holdings	Friday	0.5	0.8	
Singlo Group	Thursday	0.775	0.4	
Smith (W. H.) & Son Holdings	Wednesday	1.4‖	3.2‖	
Smith (W. H.) & Son Holdings	Wednesday	0.28§	0.64§	
Somic	Tuesday	—	1.0	
Tesco Stores	Tuesday	1.0	1.55	
Unilever	Tuesday	8.94	13.97	
United Electronic Holdings	Wednesday	0.57	1.0	
Walker & Staff Holdings	Monday	—	1.35	
Wamford Investments	Wednesday	4.5	5.5	
Whitbread Investment	Tuesday	1.45	2.85	
Young & Co's Brewery	Tuesday	2.5	3.0	
Zygal Dynamics	Monday	—	—	
INTERIM FIGURES				
B.E.T. Omnibus Services	Tuesday			
Channel Tunnel Investments	Tuesday			
Emray	Friday			
Estates & Agency Holdings	Monday			
Philips Lamps Holdings	Monday¶			
Readicut International	Tuesday			
Royal Dutch Petroleum	Thursday¶			
Royal Insurance	Monday¶			
Savoy Hotel	Tuesday			
Scottish United Investors	Friday¶			
Shell Transport & Trading	Thursday¶			
S & U Stores	Tuesday			

*Dividends shown net pence per share and adjusted for any intervening sc[rip] issue. † Includes a special dividend of 5.0p. ‡ Includes a bicentenary bon[us] dividend of 0.25p. ¶ Third quarter figures. ‖ "A" ordinary shares. § "B" ordinary shares.

SUMMARY OF THE WEEK'S COMPANY NEWS

Takeover bids and deals

…ll Foods' contested bid for Linfood lapsed following its … to the Monopolies Commission and Argyll subsequently …s 29.9 per cent stake in Linfood with various institutions …ll loss after expenses.

…, however, has been allowed to proceed with the acquisi… …erek following the Takeover Panel's decision to waive its …ch requires bids to lapse if subjected to a Monopolies …ion investigation.

…move that took the City completely by surprise, Ranks …cDougall, the subject of a dawn raid by British Sugar …ion on November 10, turned the tables last Monday and, …ket raid of its own, bought a 10.5 per cent stake in the …oup. RHM also announced a 1980-81 profits estimate … compared with the previous year's £32m. Earlier this …itish Sugar was the subject of a bid by S. and W. …l, but the offer lapsed following a Monopolies Commis…rence and left Berisford with a 40 per cent stake; Beris… RHM thus between them now own more than half of …

…lbby, the industrial and agricultural group, expanded its … into the area of industrial services with the £3.4m …on of Furmanite International, a private company based …all, Lancashire, while Combined English Stores added to …l and leisure activities with the acquisition of Eurocamp …or £2.99m.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
…rvey & …	290	270	247	7.68	Cater Ryder
…ot Lthm.	320*	315	305††	23.86	Dow Scandia Banking Corpn.
	121§*§	124	94	69.03	Hanson Trust
	135	124	116	90.12	Tilling (T.)
…Tea	69*	88	69	0.80	Eastern Produce
…Millar	30*	28	23	3.77	Fieldwood
…ros.	30*	28	25	4.28	Dana Corp.
…b'ro	56½	42	42	7.47	Jenks & Cattell
…rust	146*§†	153	127	9.84	Courtaulds Pensn. Fund
…ldgs.	200*	212	195	4.80	Gen. Tire & R. SA
Hiltons Footwear	160*	165	144††	9.82	George Oliver (Footwear)
Hoveringham Group Ord.	226*	216	89††	24.28	Tarmac
Hoveringham Group R.V.	196*	183	77††	15.80	Tarmac
Howden (Alex.)	165½	144	142	150.53	Alexander and Alexander Srvs.
MDW Hldgs.	128§§	118	82††	8.50	FJC Lilley
Warren Plants.	240½*	237	190	21.60	McLeod Russel
Wassall (J. W.)	29*	29	31	0.31	Benson Shoe

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on November 13 1981. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ★ Minimum cash offer. ● Loan stock alternative.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Allied Ldn. Prop.	June	1,660	(1,430)	7.3	(6.3)	1.35	(1.19)
Arenson (A.)	July	68	(1,530)	—	(13.8)	1.23	(1.93)
Beazer (C. H.)	June	3,480	(3,360)	32.1	(26.3)	7.0	(6.2)
Bellway	July	1,780	(2,737)	9.7	(26.6)	7.0	(7.0)
Bridport Gundry	July	384L	(559)	—	(4.3)	1.42	(2.41)
British Sugar	Sept	51,040	(34,170)	74.3	(54.3)	25.0	(15.4)
Common Brothers	June	629	(1,800)	9.1	(17.0)	5.0	(14.0)
Herman Smith	June	731	(513)	14.9	(3.2)	0.5	(0.37)
Jessups Hldgs.	Aug	90	(250)L	0.9	(—)	2.0	(2.0)
Lucas Industries	July	21,430L	(40,960)	—	(29.2)	11.0	(11.0)
LWT Holdings	July	4,260	(3,060)	19.3	(24.6)	10.07	(10.07)
Moss Engn.	Aug	656	(706)	10.4	(14.4)	5.95	(5.95)
Newman Tonks	July	1,440	(1,870)	5.9	(7.7)	5.1	(5.1)
Peters Stores	June	258L	(687)	—	(19.0)	1.5	(3.5)
Smiths Inds.	Aug	26,350	(26,130)	37.7	(37.3)	10.5	(10.0)
Speedwell Gear	July	392L	(117)L	—	(—)	—	(—)
Strong & Fisher	July	700L	(2,400)L	—	(—)	5.0	(6.8)
Sungei Bahru	June	122	(215)	3.3	(3.3)	2.35	(2.35)
Ulster Television	July	536	(536)	9.5	(25.8)	6.0	(5.2)
Walker (Alfred)	Apr	247	(123)	6.0	(4.1)	—	(—)
Wilshaw Secs.	July	20L	(108)L	—	(—)	—	(—)
Wolseley-Hughes	July	8,020	(15,030)	62.9	(59.6)	13.75	(12.5)
"W" Ribbons	June	320L	(1,190)L	—	(—)	—	(—)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
AB Foods	Sept	57,900	(44,200)	1.4	(1.2)
Allied Irish Banks	Sept	29,500†	(23,900)†	3.5	(3.5)
Allnatt Props.	Sept	3,500	(2,830)	—	(—)
Amber Industrial	Sept	127	(26)	1.0	(—)
Applied Computer	Sept	475	(407)	0.2	(0.17)
Anglo Indonesian	June	133	(277)	—	(—)
Aquascutum	July	394	(342)	0.75	(0.75)
B and C Shipping	June	13,140	(11,360)	6.0	(5.5)
Caledonia Invs.	Sept	2,290	(2,100)	6.0	(5.5)
Capital Gearing	Oct	2L	(3)L	—	(—)
Chloride	Sept	2,700L	(5,100)L	—	(—)
Chubb	Sept	2,370	(3,420)	1.95	(1.95)
Commrcl. Union	Sept	60,200¶	(51,700)¶	—	(—)
Control Securities	Sept	544	(278)	1.58	(1.05)
Cullens Stores	Aug	68L	(184)	0.7	(0.7)
De La Rue	Sept	10,510	(14,460)	6.6	(6.6)
Delyn	Aug	40L‡	(119)L‡	—	(—)
Electrocmpnents.	Sept	7,040	(6,840)	0.85	(0.85)
EMAP	Oct	1,880	(1,870)	1.15	(1.15)
Energy & Finance	Sept	225	(180)	0.6	(0.6)
Erskine House	Sept	70	(49)L	—	(—)
Euston Centre	Sept	2,840	(2,020)	—	(—)
Eva Industries	Sept	13L	(231)	—	(—)
Folkes (J.) Hefo	June	389L	(1,400)	0.35	(0.5)
Fortnum & Mason	Aug	123L	(128)L	3.5	(3.5)
Futura Holdings	July	87	(157)	1.55	(1.05)
General Accident	Sept	82,700¶	(65,700)¶	—	(—)
Goldberg (A.)	Sept	103	(543)	1.29	(1.29)
Grampian TV	Aug	256	(288)	1.0	(1.0)
Hill (Charles)	June	319L	(265)L	—	(—)
Hill Samuel	Sept	7,350	(6,050)	2.5	(2.2)
Hoover	Sept	13,000L¶	(156)L¶	—	(—)
Kwik-Fit Tyres	Aug	1,440	(2,140)	0.68	(0.65)
LMI	Sept	1,050	(1,820)	2.9	(2.9)
McInerney Props.	June	646†	(487)†	—	(—)
Nthrn. Goldsmiths	Aug	44	(221)	0.85	(0.85)
Prnc. Wales Htls.	July	21	(49)L	0.75	(0.75)
Rush & Tompkins	June	463	(773)L	1.5	(1.25)
Scott (David)	July	367L	(97)L	—	(0.6)
Scott & Robertson	Aug	186L	(295)L	—	(0.77)
Staveley Inds.	Sept	2,000	(3,260)	4.5	(4.5)
Sturla Holdings	July	468	(221)L	—	(—)
Tern Consulate	June	106	(33)	0.7	(—)
The Times Veneer	June	43L	(128)L	—	(—)
Ultramar	Sept	141,700¶	(94,000)¶	—	(—)
Valor	Oct	698	(524)	0.85	(0.77)
Warrngtn. (Thos.)	June	314	(64)	1.75	(1.16)
Western Motor	June	255	(340)	—	(—)
Wettern Bros.	June	191L	(35)L	—	(—)
Whitbread	Aug	38,540	(35,510)	2.25	(2.1)
Woolwrth (F.W.)	Oct	3,420¶	(7,110)¶	—	(—)

(Figures in parentheses are for the corresponding period.)
* Dividends shown net except where otherwise stated. † In I£. ‡ Operating loss. ¶ Nine months' figure. L Loss.

Rights Issues

Northern Foods—Is raising £42.7m by way of a rights issue on the basis of one for five at 126p per share.
Strong and Fisher—One for one rights issue at 50p per share to raise £2.6m.

Offers for sale, placings and introductions

City Site Estates—Is joining the Unlisted Securities Market following a placing of 1.25m ordinary 25p shares at 35p each and 2.5m 10 per cent convertible cumulative redeemable preference shares of 20p at 33p each.
Computer and Systems Engineering—Is moving over from a 163 (2) listing to a full listing and will be making an offer for sale at the end of the month to raise around £5m.
Harrison Cowley (Holdings)—Is moving across from trading under rule 163 (2) to a full Stock Exchange quote.
New Australian Investment Trust—Is coming to the market by way of an offer for subscription for 5m 50p shares at 100p per share.
Television South—Is coming to the Unlisted Securities Market through an offer for subscription for 6.03m ordinary non-voting shares of 10p and £1.88m subordinated unsecured loan stock 1986-88.

Scrip Issues

Control Securities—One for three.
Whitbread—One for two.

…INTMENTS

…ocurement director …British Telecom

…ive Foxell is BRITISH …M's new senior director …lopment and procure… …ith responsibility for … worth of orders placed … business with industry …r. He will also oversea …elopment of System X, …elecom's electronic tele…ications switching …

…xell joined GEC Hirst …Centre in 1947, became … of GEC's research, and …g director of GEC Semi…rs in 1971. In 1975 he …e Post Office as deputy … of research, and became … of purchasing in 1980.

★

…B. Manning has been …d sales director of …LEY'S, Dursley.

★

…RICH LIFE Mr F. R. …as become managing …, Mr C. Redman has be… general manager and … and Mr B. Hopper has … assistant general …r.

★

…ohn C. Watts has been …d managing director of … CONSTRUCTION. He …ecomes a director of Lovell (Holdings). In … to his construction his role includes respon… for the group's plant …ivities. Mr Watts joins … on January 1. He is …y chief executive of …gh Building.

★

…alum A. MacLeod has …ppointed a director of …SH EASTERN INVEST… TRUST. He is chairman … Shipping and deputy … of Grampian Tele…

★

…Bill Gates has been …d managing director of …ESTERN), Plymouth.

★

…ally Reynolds, Mrs Gay …d Mr Hugh Thomas have …ppointed to the main …f EUROFI (UK). Mr … and Mr Thomas were …ly associate directors of …pany, and Mrs Scott was … head of the European … the Greater London …

★

…Christopher Birks has … the BRITISH TECHNO… GROUP as deputy direc… …erations, electronics and …tion technology). He …merly financial director … France. The British Technology Group has recently integrated the management of the National Enterprise Board and the National Research Development Corporation. Mr Birks' responsibilities will include monitoring the group's investments and securing private sector participation.

★

Mr John Collinge and Mr Peter Whelan have become directors of PARKER RICHARDSON FILMS AND TELEVISION. Mr Collinge and Mr Harry Broomhall become directors of HERONVIEW II.

★

Mr M. R. Waterland has been appointed director and general manager of PETTER REFRIGERATION in succession to Mr G. P. Hancock who recently resigned.

★

Mr David Porter who earlier this year joined the company as managing director—Fleet Marketing, has been appointed to the main board of the KIRKBY CENTRAL GROUP.

★

Mr John Colman has been elected to the board of R. HUNT AND CO.

★

Mr Martin Coyne, who joined J. C. Bamford Excavators in 1965 as purchasing director, has been appointed managing director, JCB SERVICE.

★

Mr Roger Jones, Mr Richard Keith and Mr Tony Shepherd have joined the board of C. CZARNIKOW (LIVERPOOL). Mr Barry Groombridge has been appointed company secretary. Mr David Harcourt has resigned as chairman in view of his impending retirement, and Mr Philip Moss has been elected chairman.

★

Mr Stuart Metcalfe is the new managing director of HANSON HAULAGE, succeeding Mr Frank Dyson, who retired in September. Mr Metcalfe joins from Eastern BRS, where he was area manager.

★

Mr A. S. Gregory has been appointed managing director of MANUFACTURING DATA SYSTEMS INTERNATIONAL, division of Schlumberger. He was product manager—Europe for mechanical CAD/CAM products with Calma Interactive Graphics.

★

At REFUGE ASSURANCE CO., Mr W. N. Brewood reaches retirement age on January 23. To enable changes to take place from the start of the new year he retires as general manager from January 1. He will be continuing as a director. Mr V. St. G. Holt, who reaches retirement age in June 1982 has similarly agreed to resign as deputy general manager on January 1. From that date Mr A. T. Booth becomes deputy chairman and chief executive; Mr V. G. Ramsden, managing director; Mr A. H. Wych general manager (administration); Mr S. W. Walters general manager (marketing) and Mr J. Swarbrick general manager (general branch).

★

AVANA GROUP has made the following changes to the boards of operating subsidiary companies: Avana Bakeries — Mr J. W. H. Mitchell has been appointed managing director and Mr A. J. Sanders has been appointed a director. Avana Meat Products—Mr A. L. W. Grant has been appointed managing director and Mr M. W. Reader, who has resigned as company secretary, has been appointed a director. Mr L. Wosket has been appointed company secretary. R. F. Brookes (Leicester)—Mr D. R. Turnbull has been appointed managing director. Mr R. Wignall and Mr J. A. Worrallo have been appointed directors. Ledbury Preserves (1928)—Mr A. S. Bonnett has been appointed managing director. Mr M. J. McQuaid has been appointed a director and Mr D. G. Smith has been appointed sales director.

★

Mr P. M. Wright, chief executive of Aurora's forgings and castings division, has been appointed a director of AURORA HOLDINGS.

CONTRACTS

£7m order for GEC

An order valued at over £7m from the Central Electricity Generating Board, has been received by GEC INDUSTRIAL CONTROLS at Kidsgrove, Staffordshire, for the supply erection and commissioning of the low voltage control gear and switchgear to Heysham nuclear power station in Lancashire. The equipment includes over 400 control boards required for the auxiliary services of the power station.

★

A Scottish jetty, tunnel site restoration in Durham, a railway bridge in Dyfed and civil engineering in Cheshire represent a range of work valued at £5.3m awarded to A. MONK AND COMPANY. The Monk-Ballast Nedam Consortium has been awarded £4.2m by the Lummus Company for the design and construction of a jetty at Braefoot Bay in Fife, as part of the Esso Chemical Fife Ethylene Plant. At both the Frosterley and Derwent sites of the Kielder tunnel scheme Monk is to carry out restoration work for Tyne Tees Tunnelling under a scheme worth £304,000. On the A4076 Haverfordwest/Milford Haven trunk road the company will build a new bridge over a railway for the Welsh Office Transport and Highways Department under a deal valued at £317,000. Finally, at Warrington a scheme for Lever Brothers, valued at £½m, comprises silo tank foundations, piling, a compressor house and ancillary works.

★

Tesco Estates is to extend its food packaging factory at Cuffley, Herts., where BOVIS CONSTRUCTION has been awarded a £1.7m contract to carry out the work.

★

Five contracts in South Wales, together worth about £1.7m, have been awarded to TARMAC REGIONAL CONSTRUCTION including a £1.3m new shopping centre for Co-op Retail Services at Baglan Moors, Port Talbot.

★

The £1.2m contract for groundworks and external cladding of 51 timber framed houses at Banstead, Surrey, has been won by Y. J. LOVELL (SOUTHERN) which has also received £468,335 for work at Putney Hospital due to reopen next spring.

★

BELL AND CO. (WESTMINSTER) has recently been appointed main contractor for a £1m office development in the City of London for the Carroll Group.

★

MELLOWES METFAB, the steel and aluminium window manufacturing subsidiary of RTZ, has, during the last two months, been awarded contracts in excess of £1m including work for the Ramada Hotel and office complex, the refurbishment of the UK headquarters of A. C. Nielsen in Oxford, a new project for the LEB in City Road, London, the Aireside Centre, Leeds, and part of the extensive modernisation of Birmingham Airport.

★

S. WERNICK AND SONS has a £75,000 contract for redeveloping and refurbishing the Little Chef Restaurant on the A127 London to Southend-on-Sea road at East Horndon, Essex.

★

A second contract at Esso Chemical's Fife ethylene project at Mossmorran, near Cowdenbeath, has been awarded to Mowlem Group McTAY MECHANICAL ENGINEERING, of Bromborough, Merseyside. The contract, worth £750,000 by Lummus Company, is to fabricate and erect 13 large capacity storage tanks.

★

PYE TELECOMMUNICATIONS has won a contract to supply Scottish Gas with a mobile radio system. The network has been designed to cover the transmission system, including the grid network of pipe-lines which feeds gas from the North Sea to the Scottish distribution centres and onward to England. The system, understood to cost about £400,000, covers an area of mountainous terrain from Inverness and Aberdeen in the north, to Dumfries and the Borders in the south, and includes Edinburgh and Glasgow. It includes 31 VHF base stations and 38 1.5 GHz link terminals. Three local control positions and one overall control centre are organised into eight quasi-synchronous groups.

★

A 30-bedroom old people's home is to be built at Halton, near Aylesbury, Bucks. The £575,000 contract has been awarded to Y. J. LOVELL (MIDLAND), part of the Lovell Construction Group, by the Abbeyfield Buckinghamshire Society and work will start in mid-November for completion next summer.

The Wells division of THORN EMI ELECTRONICS has started work on a £450,000 contract for the development, manufacture, supply and installation of a prototype all-purpose ticket-issuing system (APTIS) for British Rail.

★

WILLIAM PRESS PRODUCTION SYSTEMS on Tyneside has been awarded a £3.5m contract by Total Oil Marine for the construction of a 1,700 tonne compression module. This is the third major contract received by William Press in north-east England in the past three months. Haverton Hill Fabrications on Teesside is starting work on orders worth about £15m for the Morecambe Bay gas field and the Statfjord field, off Norway. This latest contract is for the fabrication, assembly and pre-commissioning of a module measuring 30 metres long by 12 metres wide by 26 metres high incorporates a compressor weighing 140 tonnes.

★

INTERNATIONAL COMPUTERS has received an order from the London Borough of Hammersmith and Fulham for a 2966 computer valued at over £800,000. Workload will include the London borough's joint rating system and planning applications packages.

SPAIN

November 13	Price %	+ or −
Banco Bilbao	336	+6
Banco Central	345	+14
Banco Exterior	320	+5
Banco Hispano	330	+10
Banco Hispano	330	+10
Banco Ind. Cat.	117	
Banco Santander	383	+1
Banco Urquijo	217	+3
Banco Vizcaya	366	+10
Banco Zaragoza	220	
Dragados	161	+8
Espanola Zinc	69	
Fecsa	72	+1
Gal. Preciados	38	+2
Hidrola	82.7	+2
Iberduero	102.5	+3.3
Petroleos	102.5	+3.3
Petroliber	82	
Sogefisa	47	
Telefonica	77.5	+1.5
Union Elect.	78.2	+1.5

Economic Diary

MONDAY: October provisional figures for retail sales. Financial Times two-day conference on world telecommunications opens, InterContinental Hotel, W1. EEC Foreign Ministers start two-day meeting, Brussels. European Parliament session opens, Strasbourg (to November 20). EEC Agriculture Council begins two-day meeting, Brussels. Engineering industry pay talks, London. Mrs Margaret Thatcher, Mr William Whitelaw, Home Secretary, and Mr Francis Pym, Commons Leader, attend Lord Mayor of London's Banquet, Guildhall. Mr Lech Walesa, Polish Solidarity leader, begins seven-day visit to U.S. Department of Transport statement on proposed route of M40 Waterstock to Warwick.

TUESDAY: EEC Finance Ministers meet in Brussels. Acas conference on improving industrial relations, Sutton Coldfield. Mrs Margaret Thatcher and Lord Carrington, Foreign Minister, meet Herr Helmut Schmidt, West German Chancellor, and other Government officials in Bonn. Supreme Soviet session opens in Moscow to approve economic targets (to November 19). European Congress for the Organisation of Finance and Industry opens, Luxembourg (to November 20). Americans and Russians resume nuclear arms reduction talks in Geneva.

WEDNESDAY: Preliminary estimates of gross domestic product based on output data for third quarter. Indices of average earnings for September. Indices of basic wages for October. Confederation of British Industry meets, London. Mr Michael Heseltine, Environment Secretary, speaks at launch of recycling programme by glass manufacturers, London. Mr David Steel, Liberal Party leader, addresses American Chamber of Commerce, London.

THURSDAY: Third quarter provisional figures for manufacturers' and distributors' stocks. Capital expenditure by the manufacturing, distributive and service industries (third quarter — provisional). New construction orders for September. Mid-October London dollar and sterling certificates of deposit. UK banks' assets and liabilities and the money stock for mid-October. Cyclical indicators for the UK economy, for October. Commons debate Scottish economy and industry.

FRIDAY: August sales and orders in the engineering industries. Mrs Shirley Williams and Mr John Stonehouse debate "Politics is an honourable profession." Students Union, Cambridge.

EUROPEAN OPTIONS EXCHANGE

Series	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
C $400	140	16	2	36	—	—	$414
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

VOLUME IN CONTRACTS
A=Asked B=Bid C=Call P=Put

THE TRING HALL USM INDEX
114.6 (−0.1)
close of business 13/11/81
BASE DATE 10/11/80 100
Tel: 01-638 1591

CORAL INDEX
Close 515-520 (unch.)

WORLD STOCK MARKETS

NEW YORK

Wall St mixed and nervous

A MIXED TREND prevailed on Wall Street yesterday, reflecting investors' nervousness over the economic outlook.

By 1 pm the Dow Jones Industrial Average was off 0.67 to 859.87, reducing its rise on the week to 7.42, while the NYSE All Common Index, at $71.39, shed 30 cents on the day but was up 6 cents on the week. Declines led advances by a seven-to-six majority, with volume down 7m shares to 30.67m compared with 1 pm Thursday.

The market started to weaken late Thursday following news of a 1.5 per cent decline in October Retail Sales, and continued its fall yesterday morning after the announcement of a 1.5 per cent drop in Industrial Production last month.

Analysts said the two figures overshadowed the more positive influence of a drop in the Prime Rate Thursday by three major banks, to 16½ per cent from 17 per cent.

Railroads lost ground. **Burlington Northern** dipped $1 to $55, **Southern Railways** $1½ to $96, **CSX** $1½ to $58 and **Chicago Northerwestern** $1½ to $22.

Cessna Aircraft, the volume leader despite a late opening, dropped $1¼ to $20¼ on its plans to lay off 1,295 employees indefinitely and reduce its 1982 production schedule.

Marathon fell $2¼ to $79¼—it is fighting off a takeover bid from **Mobil**, while **General Steel**, fighting off a takeover bid by **Walco**, lost $1½ to $16¼.

Honeywell fell $1½ to $78¾ on heavy volume—a block of 210,000 shares traded at $78½.

Other Technology stocks with losses included **Mitel**, off $2 to $26¼, **Digital Equipment** $¾ to $94¼, and **Commodore** $1¾ to $38¼.

Exxon firmed $½ to $30¼—it withdrew its operations from Libya.

THE AMERICAN SE Market Value Index was off 4.53 to 320.52, for a net loss of 4.40 on the week. Volume 4.05m (3.40m) shares.

Closing prices for North America were not available for this edition.

Canada

Stock prices dropped sharply yesterday, following the Canadian Government's Budget announcement on Thursday night.

At mid-session the Toronto Composite Index was 26.0 lower at 1,934.9. Ten of the 14 stock groups declined, paced by Real Estate down 436.7 to 6,430.2. Oil and Gas 148.4 to 3,637.6 and Golds 55.2 to 3,169.6.

The Bank Index rose 6.35 to 373.10, reflecting relief there were no punitive taxes against Banks.

Strength in Dividend Paying stocks was due to the elimination of the deductibility of the cost of interest on Investment Loans. However, Speculative stocks were hurt badly by the measure.

Tokyo

Share prices went up over a broad front on news of a continuous downdrift in U.S. interest rates. The Nikkei Dow Jones Index climbed 64.49 to 7,569.51. Trading accelerated to 340m (200m) shares.

But Energy stocks eased in reaction to their recent considerable advance, but they were just about the only ones that recorded a decline. Almost all other issues posted gains.

Speculation for a further decline in U.S. interest rates spurred investors.

Many investors were taking a fresh look at Blue Chips, which had been largely neglected in the recent past.

Motors were firm on better half-year earnings. **Honda**, up Y14 to Y895, announced Thursday the start of a joint study with BL of Britain of the development of a new model car.

Nippon Steel added Y3 at Y178, although it announced poor half-year business results.

Germany

Share prices closed mixed, with dealers reporting a more optimistic mood among investors due to the firm Domestic Bond Market but insufficient orders to trigger a broad rise.

Linde firmed DM 0.50 to 312 after reporting higher nine months' turnover. But **MAN** shed DM 1 to 192 — it said profits this financial year will be hit by extra costs.

Siemens were off DM 1.6 to 205.5, despite its unchanged dividend for 1981.

The Domestic Bond Market was quieter, although Public Authority Bonds posted gains as high as 1.20 percentage points. The Bundesbank sold DM 31.4m of stock.

Mark Eurobonds tended weaker in early trades, but recouped losses later.

Hong Kong

The Stock Market closed higher on speculation of a further cut in local interest rates prompted by declining U.S. rates.

In addition, the weakness of the U.S. dollar has produced a movement into the local currency, thus providing fresh investment potential for the Stock Market.

However, trading was cautious ahead of the weekly review of local interest rates by the Association of Banks. The Hang Seng Index rose 20.39 to 1,433.52.

Australia

Takeover situations enlivened otherwise slow trading.

Mauri Bros, the diversified Food and Food Machinery Group, was the spotlight with two major developments—earlier in the week **Tooth and Company** snapped up 15 per cent of Mauri only to discover that the company had a complicated interlocking share arrangement with the Island Trader, **Burns Philp**, which would block any further inroads into the company.

Early yesterday **Burns Philp** announced it would stand in the market from November 30 and offer A$1.35 for Mauri shares up 14 cents to A$1.30.

Tooth, off 2 cents to A$2.40, unloaded its parcel on Burns Philp, disclosing it had made A$2m profit on the deal in three days.

Elsewhere, Banking issues went well. **ANZ Bank** gained 6 cents to A$5.56 after reporting a strong performance by finance company subsid FCA.

Retailers were supported. Base Metals were quietly ... But Gold Mines fell back on lower World bullion prices, down by Central Norseman, Poseidon.

Oils were mixed to firm, a revival of interest in Shales.

Paris

Slightly firmer in a tech... recovery after successive ... in recent sessions. The app... of the end of the Tax ... also attracted buyers wa... to take advantage of "Monory Law" tax-free purchase allowance.

In firm Banks, Cie Bar... gained FFr 8.5 to 137, CFF advanced FFr 7.5 to ...

Singapore

Share prices closed firm ... continued buying interest ... active trading with sent... also boosted by further ... tions in local Prime Rates.

The Straits Times Indu... Index rose 13.31 to 709.61, fo... seventh gain in a row ... cracked the 700-mark for th... time since August 24.

Amsterdam

Narrow losses in slow tr...

Philips shed F10.4 to ... ahead of third quarter ea... which will be announce... Monday.

Nederlandse Middens... bank declined F12.5 to ... news that it would ha... deduct higher provisions ... its 1981 results to cover le... risks in Holland. The ... maintained, however, that ... earnings would not show ... change from 1980.

Switzerland

A stronger Swiss fran... expectations of still lower ... term interest rates enli... market sentiment and ... generally firmed apart from ... ing Industrials, which con... to suffer from uncertainty ... the economic outlook.

CANADA

Stock	Nov. 12	Nov. 11
AMCA Intl.	21¼	21¼
Abitibi	22	22
Agnico Eagle	8½	8½
Alcan Alumin	26½	26½
Algoma Steel	42½	42½
Asbestos	22½	25¾

BELGIUM (continued)

Nov. 13	Price Frs.	+ or —
Petrofina	4,210	—15
Royale Belge	4,000	..
Soc Gen Banq.	1,575	+20
Soc Gen Belge	950	—4
Sofina	3,485	—5
Solvay	1,680	—5
Traction Elect.	1,785	+5

HOLLAND

Nov. 13	Price Fls.	+ or —
ACF Holding	68	—1
Ahold	62	—0.3
AKZO	23.6	—0.4
ABN	287	+1
AMEV	90.7	—0.1
AMRO	53	.....
Bredero Cert	174	+0.5

AUSTRALIA

Nov. 13	Price Aust. $	+ or —
ANZ Group	5.56	+0.06
Acrow Aust	1.30	.....
Allstate Expl.	0.85	—0.02
Ampol Pet	1.65	+0.04
Assoc. Pulp Pap	1.95	.....
Audimco	0.12	.....
Aust. Cons. Ind.	1.69	.....
Aust. Guarant.	2.30	.....

JAPAN (continued)

Nov. 13	Price Yen
Kubota	341
Kumagai	390
Kyoto Ceramic	3,180
Lion	405
Maeda Cons	899
Makita	664
Marubeni	322
Marudai	548

Indices

NEW YORK ACTIVE STOCKS

...MITOMO METAL BUCKS TREND

...apanese steelmakers show decline

YOKO SHIBATA IN TOKYO

...OF the five major steel... in Japan reported set... n operating profits in the ...onths to September 30. ...ifference in profitability ... the five depended to a ...xtent on the proportion ...mless pipes, the most ...ble sector in their pro...lix.

...itomo Metal Industries, ...rgest seamless pipe pro... was able to make the ...dvantage of this sector ...anaged a modest gain in ...ing profit.

...siderable profit declines ...pon Steel, Nippon Kokan, ...aki Steel and Kobe Steel caused by unexpectedly ...h domestic demand be... of lower orders from ...work construction and private capital invest... The yen's depreciation ... the first half helped to exports but worked nega... on imports of raw mat... where costs rose ...ly.

...pon Steel's output de... by 1.5m tons over the ...alf of the previous year. ... export prices lifted the ...rice by 4 per cent to ...7 per ton, but total sales ...el products declined in value by 5.4 per cent. Exports rose by 19.7 per cent to account for 39.2 per cent of the total turnover.

Its net earnings of Y43.78bn ($193.8m), a fall of 3.2 per cent, were hit by the higher costs of materials and by exchange losses totalling Y10bn. These outweighed the positive factors of higher sales prices, rationalisation efforts and the lower depreciation costs.

In the current half year ending March, 1982, Nippon Steel expects stronger domestic demand but sees a decline in exports because of stronger competition from South Korea. It is forecasting a 10 per cent decline in operating profits from the first half.

Nippon Kokan's output of steel declined by 526,000 tons to 5.8m tons in the first half. Higher export prices, particularly for seamless pipe, allowed sales of steel products to nudge up in value by 2.5 per cent to reach Y609bn. Sales in its large shipbuilding and engineering division were flat and totalled Y101bn

Sumitomo Metal Industries said that 90 per cent of its earnings stemmed from seamless pipe. Negative factors such as higher material costs, exchange losses and higher depreciation resulting from the change in accounting methods were covered by higher export prices for seamless pipes and by cost reductions brought about by higher capacity utlisation.

Kobe Steel suffered sluggish sales of steel, aluminium and copper products because of weak demand in the domestic market. Exports, mainly of machinery, rose by 24.2 per cent to account for 27.5 per cent of the total turnover. Higher material costs and a Y1.2bn exchange loss were blamed for the steep fall of earnings.

RESULTS FOR HALF YEAR TO SEPTEMBER 30–YBN

	Sales	% change	Operating profit	% change	Net profit	% change
Nippon Steel	1,540	−1.1	69.53	−33.6	43.78	−3.2
Kawasaki Steel	633.27	+3.5	34.48	−32.1	17.27	−44.8
Nippon Kokan	710.49	+2.3	25.14	−28.4	13.05	−33.4
Sumitomo MI	697.94	+4.8	46.43	+ 0.5	18.56	−11.4
Kobe Steel	582.16	+1.5	15.74	−49.7	6.56	−65.6
Kobe Steel	582.16	+1.5	15.74	−49.7	6.56	−65.6

German mail order group buys U.S. stake

By Kevin Done in Frankfurt

THE SCHICKEDANZ group of West Germany, which includes Quelle, Western Europe's largest mail order group, is to make its first move into the U.S. market with the acquisition of a 51 per cent stake in Aldens, the fifth largest mail order company in the U.S.

The acquisition, which has been agreed in a letter of intent, will cost Schickedanz more than $20m. The deal should be completed by January 30.

The company has been looking for an entry into the U.S. market for around five years and has been in negotiations with the Chicago-based Aldens concern for the past year.

Schickedanz's move into the U.S. comes only two months after Otto Versand, the Federal Republic's second largest mail order concern, spent some $50m on the purchase of the U.S. Spiegel mail order house, which ranks as the fourth largest in the U.S.

Aldens expects sales of more than $300m in 1981. It is part of the Wickes Companies group, a widely diversified U.S. retailing concern with annual turnover of more than $4bn worldwide.

Schickedanz said yesterday that the deal with Wickes had been done in the manner of a joint venture. The company had been reluctant to enter the U.S. market without some form of co-operation.

The German company is looking particularly to strengthen Aldens technical operations in terms of distribution and customer communications. It also hopes that the deal will improve its purchasing power worldwide.

Quelle is already active in several other European markets, particularly Austria, France, Holland and Belgium. Schickedanz sales increased to more than DM 10bn ($4.5bn) in the past financial year, of which some DM 5.9bn were achieved in its mail order operations.

Schickedanz has been forced to expand its activities outside West Germany because much of the potential for growth has already been squeezed out of the local market.

West Germans already buy more goods by mail than shoppers in any other country

Mobil faces more legal action on Marathon offer

BY PAUL BETTS IN NEW YORK

THE ATTORNEY-GENERAL of Ohio, the home state of Marathon Oil, is planning to file an anti-trust suit against Mobil's $5bn take-over bid for Marathon Oil.

The Attorney-General's office said yesterday the suit would be filed on behalf of the citizens of Ohio. The suit, it said, would charge that Mobil's proposed take-over would have a severe impact on sales of petrol in the state's market.

This latest twist in the complex and acrimonious take-over battle reflects the deep feelings the Mobil bid is provoking in Ohio. Indeed, the citizens of Findlay, Ohio, where Marathon is based, have displayed an unusual degree of popular support for the local oil company. This week, Mr Harold Hoopman, Marathon's chairman, held an open air meeting in Findlay to confirm to local residents the company's efforts to remain independent.

In a further setback for Mobil, the Federal Trade Commission (FTC) asked the number two U.S. oil company for additional information related to its take-over bid. This will further delay the anti-trust clearance process necessary for Mobil to go ahead with its $85 a share, $3.4bn cash offer, for two-thirds of Marathon's stock.

At the same time, a Federal court in Cleveland, Ohio, will conduct on Tuesday a hearing on Marathon's request for a preliminary injunction against Mobil's bid on anti-trust grounds.

But Mobil is seeking to get round the legal hurdles which are delaying its bid by proposing to the FTC to be allowed to buy Marathon shares by promising not to merge the two companies for six months. During this time, the FTC and other anti-trust authorities could review the proposed merger.

The anti-trust authorities, in another oil take-over case, asked yesterday for additional information on the $2.5bn take-over of Santa Fe International by the Kuwait Petroleum Company.

But Mr William Baxter, head of the U.S. Justice Department's anti-trust division, said yesterday the department had not yet decided whether to challenge the acquisition

Portfolio loss at Banque Scandinave

By Brij Khindaria in Geneva

BANQUE SCANDINAVE en Suisse confirmed yesterday that it has sustained losses in portfolio management operations over the past year, but expects to be able to hold the total below estimated operating profits of SwFr 35m ($19.8m).

The bank is currently negotiating with about a dozen large clients, none of them Scandinavians, the terms on which it will share the losses, which a senior executive said had arisen from "incorrect management of customers' funds, partly on instructions of the customers."

The customers, who do not reside in Switzerland, were not able to cover the losses and the bank has agreed to help. The exact size of the losses is not yet known.

The bank has capital and other reserves totalling at least SwFr 155m ($88m) and does not expect any difficulty in absorbing hte estimated losses.

The losses arose mainly from foreign exchange speculation done partly on customers' instructions.

The losses first came to light at a board meeting of the bank in August but were not disclosed until earlier this week in Stockholm, where the bank's largest shareholder, Skandinaviska Enskilda Banken, with 29 per cent, is located.

Burns Philp in A$64m bid for foods concern

BY GRAEME JOHNSON IN SYDNEY

BURNS PHILP, the Australian diversified trading group, yesterday moved to protect the value of its 19.4 per cent holding in Mauri Brothers and Thomson, the food group, by launching a bid for the equity not held.

The move was sparked off by Adelaide Steamship, the diversified group, obtaining a 15.23 per cent stake in Mauri through Tooth Investments, controlled by the New South Wales brewer, Tooth. AdSteam won control of Tooth during the summer after a takeover contest with Tooth's rival brewer, Castlemaine Perkins and after Allied Breweries of the UK had sold an 11.8 per cent stake in Tooth to Castlemaine.

AdSteam bought its stake at an average price a share of A$1.06, and has sold to Philp at A$1.35, to show a profit of some A$2m on an outlay of A$7.6m. The A$1.35m offer made by Philp values Mauri at A$64m (U.S.$73m). The company will stand in the market for one month offering to buy at A$1.35. A share exchange offer is also to be made.

...African steel group ...ffers lower margins

J. D. F. JONES IN JOHANNESBURG

...ART AND LLOYDS, the ...African steel and engin... company, in which ...Steel sold its 21 per ...terest in June this year, ...d from narrower mar... the year ended Septem... While turnover rose by ... per cent to R432.7m ...) from R358m pre-tax advanced by only 17.3 per ... R22.9m from R19.6m. ...company said that infla...y pressures on expenses ...severe, particularly on ..., power and transport

...tal dividend of 35 cents ...een declared from earnings of 74.1 cents. Last year earnings per share were 52.1 cents and a total dividend of 28 cents was paid.

● Vereeniging Refractories (Verref), the manufacturer of refractories and building products which is 52 per cent-owned by Anglo American Coal Corporation (Amcoal) the country's largest coal producer, earned a pre-tax, pre-interest profit of R16.9m ($17.64m) in the nine months ended September 30. This compares with R17.2m in the year to December 31, Verref has changed its year end to March

Turnover continues to improve and was R96.1m in the nine months against R102m in the previous year.

A second interim dividend of 13 cents has been declared matching the first interim. Earnings during the nine months totalled 170 cents a share. Last year the total earnings were 190 cents a share and a total dividend of 60 cents was declared.

Electronic watches help Asuag earnings recovery

BY JOHN WICKS IN ZURICH

ALLGEMEINE Schweizerische Uhrenindustrie (Asuag), Switzerland's leading watch industry company, raised its net profits by 6.7 per cent in the year ended June 30 to SwFr 4.77m ($2.71m). This almost made up for the 7 per cent decline in earnings of the Bienne-based holding company in fiscal 1979/80.

Nevertheless, Asuag's annual report points to a "clouding over" of the economic outlook since the end of the last financial year—the result of recession in major customer countries, the reduction of stocks by distributors because of high interest rates, and the flooding of the market with digital quartz watches from Asia.

Asuag told shareholders in September that the growth rate of the group's sales had been flattening out since May of this year.

Although group turnover rose by 17.1 per cent in the first half of calendar 1981 to SwFr 714.3m ($405.8m), the start of the holding company's 1981/82 financial period is showing "unsatisfactory" consolidated results, the company says.

This development, which largely is caused by difficulties in moving producers' stocks, has led Asuag to "accelerate rationalisation measures." While continuing to manufacture mechanical watches, the company is in particular to speed up its progress in the field of analogue-display electronic models.

The electronic watch sector has for some time been the most important element in the group's growth. Sales of electronic watches and watch components, which rose by 20.3 per cent in calendar 1980, rose by a further 37.1 per cent in the first six months of this year.

...OMMODITIES/REVIEW OF THE WEEK

...uffer stock plan ...oosts cocoa prices

OUR COMMODITIES STAFF

...A PRICES were given a boost yesterday when it ...revealed that the Inter...al Cocoa Organisation ...) had approached pro... with a proposal that its ... stock should be allowed ... surplus cocoa from them ...edit while new financial ...ements are being worked

... of funds has so far ...ted the ICCO from engag... support buying on an ...ve scale. Buffer stock ... started at the beginning ... month but was quickly ...oned when prices failed ...pond.

...s failure was attributed to ... awareness that the ...ness that the existing $230m fund was far too small to cope with the 500,000 tonnes or more of cocoa stocks overhanging the world market.

A meeting of the ICCO Council next week will discuss allowing the buffer stock manager to seek credit facilities to extend the fund and there is considerable optimism in the market that permission will be granted.

Meanwhile, however, Mr Kwesi Hackman, the ICCO's executive director, said yesterday that he had approached producers about the possibility of the buffer stock buying material from them on a deferred payment basis.

This encouraged a £27 rise which left the March London futures position £12 up on the week at £1,161.50 a tonne.

Natural rubber prices fell sharply this week with the spot quotation on the London physical market ending 3.5p down at 52p a kilo despite rising 0.6p yesterday.

The fall was generally attributed to disappointment at the failure of the International Rubber Organisation to make significant buffer stock purchases following the market's fall below the 178.50 cents a kilo trigger level.

Inro has buffer stock fund equal to about 50,000 tonnes of rubber but so far has bought only a few thousand tonnes. It has been suggested that the buffer stock manager is waiting to know the outcome of an Inro council meeting next Thursday before committing too much of his fund to price support.

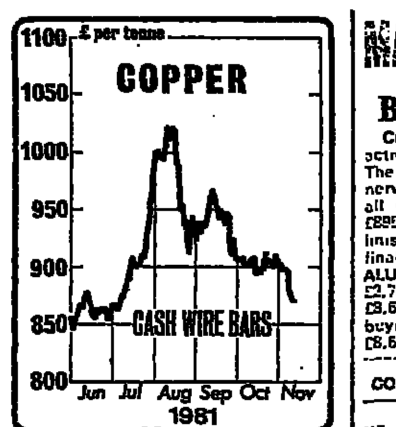
London Metal Exchange prices were generally lower again this week but tin continued to defy the trend. Encouraged by further support buying from the "mysterious" source who has been pushing the market higher for some months, cash tin moved up another £103.50 to £8,343.50 a tonne. An LME warehouse stocks rise last week to a record 16,470 tonnes appeared to have been ignored.

Heavy selling in the U.S. pushed the cash copper wirebars price down £28.25 to £870.50 a tonne. The downward pressure was augmented by news of a U.S. price cut by Asarco and the settling of a pay dispute at Chile's Disputada mine where a strike had been threatened.

Lead and zinc lost ground in line with the general tone with the cash quotations ending £25.50 down at £343.50 a tonne and £27.50 down at £459 a tonne respectively.

The steady decline in aluminium prices continued knocking another £23 off the cash metal price at £569.50 a tonne. This is the lowest level recorded since the LME aluminium market opened three years ago.

With industrial demand remaining low stocks continue to rise. Latest figures published by the International Primary Aluminium Institute show that world producer stocks at the end of September were up 1m tonnes from a year earlier



...EKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1981 High	1981 Low
...s					
...ium	£810/815	—	£810/815	£810/815	£760/70
...Market c.i.f.	$1075/1105	−25	$1500/530	$1500/1550	$1075/105
...ny	$2500/2600	−25	$3185/235		
...Market 99.6%			$835	$3205/3250	$2500/600
...Cash Wire Bars	£870.50	−28.25	£862.25	£1,023.5	£755
...nths Do. Do.	£895.75	−31	£817.5	£1,052.75	£777.5
...Cathodes	£865.5	−25.5	—	£1,025	£748.5
...nths Do.	£890.75	−29.25	£842.5	£1,046	£765.5
...er oz.	$412	−16	$611.5	$601	$390
...ash	£343.5	−25.5	£339.5	£502	£273.75
...nths	£358.25	−24.25	£352.75	£499.5	£285.25
	£4,219.80	—	£5,115	£4,219.80	£3,156
...Market c.i.f. lb.	250/280c	+5	380/395c	295/310c	225/275c
...m per oz.	£260		£302	£260	£202
...Market per oz	£205.35	−16.2	£257.45	£250.90	£185.60
...ilver (76lbs.)	$418/425	−4	$403/412	$426/438	$355/365
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

...oted. (s) Madagascar. (y) Dec. (x) Dec/Jan. (v) Oct/Nov. (w) Jan. (u) Nov/Dec. ... Nominal. § Ghana cocoa.

MARKET REPORTS

BASE METALS

Currency considerations dominated activity on the London Metal Exchange. The strength of sterling coupled with nervous general liquidation depressed all metal markets. COPPER closed at £895, three months, LEAD fell away to finish at £360.5, after £357.5. ZINC was finally £471.75, after £470, and ALUMINIUM and NICKEL £591.75 and £2,705 respectively. TIN briefly touched £8,640 before heavy and persistential buying held three months around the £8,650 level.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	877-.5	−1.25	870-1	−2.75
ϕ 3 mths	901.5-2	−3.5	895.5-6	−4
Settlem't	877.5	−1.5	—	......
Cathodes				
Cash	872-3	−2.75	866-7	−3
3 months	896.5-7	−4.75	890.5-1	−5
Settlem't	873	−2.5	—	......
S. Prod	—	......	*80.7-88	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £877.50, higher grade three months £899.00, 900.00, 900.50, 01.00, 02.00, 02.50, 02.00. Cathodes, three months 897.00. Kerb: Wirebars, three months £901.50, 01.00, 900.00, 899.50. Afternoon: Wirebars, higher grade three months £896.00, 97.00, 96.50, 95.00, 97.00, 96.00, 95.50. Cathodes, three months £890.50. Kerb: Wirebars, three months £895.50, 95.00. Turnover 18.325 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	8350-60	+35	8343-5	+24
3 months	8650-1	......	8655-60	+7
Settlem't	8360-	+35	—	......
Standard				
Cash	8350-60	+35	8343-5	+24
3 months	8650-1	......	8655-60	+7
Settlem't	8360	+35	—	......
Straits E.	‡535.74	......		—
New York	—			

Tin—Morning: Standard, cash £8,340, three months £8,650, 51, 55, 50, 51, 50. Kerb: Standard, three months £8,650. Afternoon: Standard, three months £8,650, 55. Kerb: Standard, three months £8,655, 52, 50. Turnover: 3,715 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	350-.5	−5	343-4	−10.2
3 months	365-.5	−5.25	358-.5	−10.5
Settlem't	350.5	−5	—	......
U.S. Spot	—	......	*36-40	......

Lead—Morning: Cash £350.50, three months £365.00, 64.00, 62.50, 64.00, 65.00. Kerb: Three months £365.00, 64.00, 63.00, 62.50, 63.00, 62.00, 61.50, 61.00, 60.50, 60.00. Afternoon: Three months £360.00, 52.00, 58.00, 57.50, 57.00, 57.50, 58.00, 58.50. Kerb: Three months £359.00, 60.00, 61.00, 62.00, 61.00, 60.00. Turnover: 16,400 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	462-4	−8.5	458.5-9.5	−10.5
3 months	476-7	−9	473-.5	−11
S'ment	464	−8	—	......
Primw'ts	—	—	*45.5-50	......

Zinc—Morning: Cash £464.00, three months £482.00, 81.50, 81.00, 80.00, 80.50, 78.00, 77.00, 78.00, 78.50, 77.00. Kerb: Three months £476.00, 77.00, 76.50, 76.00, 75.50. Afternoon: Three months £474.00, 73.00, 71.00, 70.00, 71.00, 71.50, 72.00, 72.50, 72.00, 74.00, 72.50, 73.00, 72.00, 72.50, 72.00, 73.00. Kerb: Three months £473.50, 74.00, 73.00, 72.50, 72.00, 71.00. Turnover: 19,725 tonnes.

Aluminm	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	568.5-9.5	−5.75	569-70	−2.5
3 months	593-.5	−4	592.5-3	−4

Aluminium—Morning: Three months £595.00, 94.00, 93.00. Kerb: Three months £593.00. Afternoon: Three months £592.00, 91.50, 92.00, 92.50. Kerb: Three months £592.50, 92.00, 91.50. Turnover: 5,025 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	3650-5	−2.5	2645-55	+10
3 months	2700-5	−10	2695-8	−3.5

* Cents per pound. ‡ M$ per kilo. † On previous unofficial close. ϕ Higher grade.

Nickel—Morning: Cash £2,655, 50, three months £2,710, 05. Afternoon: Three months £2,690, 95. Turnover: 498 tonnes.

SILVER

Silver was fixed 0.1p an ounce lower for spot delivery in the London bullion market yesterday at 455.1p. U.S. equivalents of the fixing levels were: spot $8.67, up 9.2c; three-month $8.943, up 9.2c; six-month $9.242, up 8.6c; and 12-month $9.867, up 7.9c. The metal opened at 456-458p ($8.7-8.75) and closed at 450-453p ($8.62-8.67).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	455.10p	−0.1	453.0p	+4
3 months	470.80p	+0.1	468.25p	+2.25
6 months	487.00p	−0.3	—	......
12months	520.00p	−1.0	—	......

LME—Turnover 91 (127) lots of 10,000 ozs. Morning: Three months 471.0, 71.5. Kerb: nil. Afternoon: Three months 470.0, 69.0, 68.0, 66.0, 67.5. Kerb: Three months 467.5.

COCOA

An unchanged opening was followed by a sharp rally initiated by pre-weekend short covering and book squaring prior to the ICCO meetings. Physicals failed to arouse any interest, reported Gill and Duffus.

COCOA	Yes'rday's Close	+ or —	Business Done
Dec	1152-54	+26.0	1158-26
March	1161-62	+27.0	1167-31
May	1162-64	+28.5	1156-35
July	1165-68	+29.5	1138-32
Sept	1175-78	+31.5	1164-55
Dec	1180-94	+25.0	1194-78
March	1190-214	+26.0	—

Sales: 3,119 (3,232) lots of 10 tonnes.

ICCO—Daily price for November 13: 96.09 (92.76); indicator price for November 15: 93.91 (93.28).

COFFEE

In line with a firm New York close London opened higher. Under persistent selling from dealers and influenced by further sterling strength values retreated, reports Drexel Burnham Lambert.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
Nov	1129-30	−3.5	1145-30
Jan	1142-43	−5.0	1161-41
March	1139-40	−8.5	1157-40
May	1140-42	−6.5	1156-38
July	1138-45	−5.5	1155-45
Sept	1137-38	−9.0	1159-38
Nov	1130-40	−15.0	—

Sales: 3,138 (1,740) lots of 5 tonnes.

ICO 1979 indicator prices for Nov 12: (U.S. cents per pound): Comp. daily 125.93 (124.04): 15-day average 122.72 (122.17).

GAS OIL FUTURES

After a strong opening in high volume the market traded listlessly reflecting a quiet but firm physical market before rallying on the close, reports Premier Man.

Month	Yesterdys close	+ or —	Business Done
	$ U.S. per tonne		
November	329.00	—	328.75-25.00
December	328.75	+1.00	329.50-25.00
January	328.75	+0.75	329.00-27.75
February	327.50	−0.25	328.00-27.00
March	325.75	−0.75	327.00-25.00
April	324.25	−1.25	—
May	325.50	—	325.50
June	326.50	—	326.50-25.50
July	326.75	+0.25	—

Turnover: 945 (1,107) lots of 100 tonnes.

GRAINS

The market opened lower and drifted further on country selling. Shippers were buyers of Jan and March barley but the rest of the market found little support, Acli reports.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterday close	+ or —
Nov	105.85	−0.25	102.30	−0.15
Jan	107.95	−0.40	103.95	−0.15
Mar	111.10	−0.35	107.20	−0.10
May	114.40	−0.35	110.20	−0.20
July	117.70	−0.35	—	
Sep	106.55	—	100.80	+0.05

Business done—Wheat: Nov 106.00-105.85, Jan 108.20-107.90, Mar 111.30-111.15, May 114.60-114.40, July 117.65 only. Sept 106.55-106.50 Sales: 164 lots of 100 tonnes. Barley: Nov 102.35-102.25, Jan 104.10-103.90, Mar 107.30-107.20, May 110.40-110.20, Sept 100.80 only. Sales: 202 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No 2 14 per cent Nov 114.00, Dec 115.50 transhipment East Coast sellers. English Feed fob Nov 110, Dec 112 East Coast sellers. Maize: French Nov 127.25, Dec 129 quoted transhipment East Coast sellers. S. African White Nov 86.25 sellers. S. African Yellow Nov 86.25 sellers. Barley: English Feed fob Dec 106.50 East Coast sellers. Rest unquoted.

HGCA — Locational ex-farm spot prices. Other milling wheat: Eastern 109.10, E. Mids. 106.00. Feed barley: Eastern 100.20, E. Mids. 101.50, N. East 100.70, Scotland 98.00. The UK Monetary Coefficient for the week beginning Monday, November 23 (based on HGCA calculations using three days' exchange rates), is expected to remain unchanged.

RUBBER

The London physical market opened slightly steadier, attracted little interest throughout the day and closed dull. Lewis and Peat reported a December fob price for No. 1 RSS in Kuala Lumpur of 223.5 (223.0) cents a kg and SMR 20 168.0 (same).

No. 1 R.S.S.	Yest'r'ys close	Previous close	Business Done
Dec	55.40-55.60	53.30-53.40	—
Jan	54.20-56.50	54.20-54.30	—
Jan-Mar	55.20-56.60	55.20-55.30	56.40-55.50
Apl-Jne.	59.00-59.10	59.00-59.10	59.40-58.50
Jly-Sept	62.10-62.20	62.40-62.50	62.88-62.10
Oct-Dec	65.50-65.50	65.80-65.90	66.10-65.80
Jan-Mar	68.70-68.90	69.10-69.20	69.50-69.40
Apl-Jne.	72.10-72.20	72.40-72.50	72.70
Jly-Sept	75.20-75.30	75.60-75.70	75.90-75.30

Sales: 279 (557) lots of 15 tonnes and nil (17) lots of 5 tonnes.

Physical closing prices (buyer) were: Spot 52.00p (51.50p); Dec 50.50p (same); Jan 51.25p (51.50p).

SOYABEAN MEAL

The market opened slightly higher on a mildly constructive USDA crop estimate, reports T. G. Roddick. Gains were pared by stronger sterling and market closed little changed.

	Yesterdys Close	+ or —	Business Done
	£ per tonne		
December	126.60-27.2	+0.05	—
February	130.60-30.8	+0.65	127.00-26.50
April	133.00-33.4	+0.15	130.70-30.20
June	135.00-36.0	+0.15	133.50-33.40
August	137.50-38.5	+0.15	136.50
October	138.50-42.0	+0.75	—
Dec	139.50-45.0	+0.75	—

Sales: 53 (49) lots of 100 tonnes.

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Dec 375, 377, 375; Jan 374, 377, 377-376; Mar 384, 385, 385-383; May 391, 394, 392-391; Aug 407, 409, 409-407; Oct 411, 412, 412; Dec 418, 420, nil; Jan 419, 422, 420-419; Mar 427, 429, 429-423; May 432, 440, 436. Sales: 71.

SYDNEY GREASY WOOL—Close (in order: buyer, seller: business). Australian cents per kg. Dec 490.0, 490.5, 491.0-490.0; Mar 500.0, 500.5, 500.5-500.0; May 514.0, 514.5, 514.0-513.0; July 521.0, 521.5, 521.5-520.5; Oct 519.0, 520.0, untraded; Dec 522.5, 523.5, 522.5; Mar 529.0, 532.0, 530.0-529.0; May 537.0, 545.0, untraded. Sales: 85.

AMERICAN MARKETS

NEW YORK, November 13.

Precious metals and copper firmed up on a declining federal funds rate. Profit-taking and apprehension about potential exchange action ahead of the tight December delivery resulted in sharply lower coffee prices. Cocoa prices moved higher on a new proposal to producing countries of selling with deferred payments. Cotton sold off sharply in reaction to a bearish crop production report. The livestock complex rallied impressively on late cash demand, reported Heinold.

Copper—Nov 74.40 (74.30), Dec 74.85-74.95 (74.80), Jan 75.85, March 77.60-77.75, May 79.30-79.40, July 80.95, Sept 82.60, Dec 85.05, Jan 85.90, March 87.70, May 89.50, July 91.30, Sept 93.10.

Potatoes (round whites)—Feb 71.5 (70.5), March 77.0-77.5 (76.3), April 86.4-86.8, Nov 77.0-78.0. Sales: 420.

¶Silver—Nov 863.0 (865.5), Dec 866.0-868.0 (870.0), Jan 876.5, March 895.0-896.0, May 915.0-918.0, July 934.8, Sept 954.6, Dec 984.3, Jan 994.2, March 1014.0, May 1033.8, July 1053.6, Sept 1073.4. Handy and Harman bullion spot: 865.50 (858.00).

Sugar—No. 11: Jan 11.99-12.03 (11.98), March 12.38-12.40 (12.39), May 12.67-12.69, July 12.94-12.95, Sept 13.15-13.20, Oct 13.33-13.34, March 13.95-14.00.

Tin—720.00-730.00 (708.00-730.00).

CHICAGO, November 13.

Lard—Chicago loose 20.50 (same).

Live Cattle—Dec 64.95-64.80 (64.15), Feb 65.65-65.55 (65.07), April 65.55-65.60, June 65.87-65.95, Aug 65.40-65.45, Oct 64.00, Dec 64.65.

Live Hogs—Dec 47.50-47.60 (47.12), Feb 50.10-49.95 (49.20), April 47.90, June 50.35, July 50.50, Aug 49.35, Oct 47.40, Dec 48.35, Feb 49.05.

‡‡Maize—Dec 278¾-278¼ (281½), March 297¼-297 (299¾), May 308¾-309¼, July 316½-316¾, Sept 332¾, Dec 328-327¾.

Pork Bellies—Feb 69.25-69.40 (67.92), March 69.30-69.20 (68.05), May 70.10, July 70.75, Aug 70.30.

†Soyabeans—Nov 633½-634½ (639¾), Jan 650½-651 (656½), March 669-669½, May 687-687½, July 703½, Aug 708, Sept 709, Nov 717, Jan 734.

‖Soyabean Meal—Dec 187.0-187.3 (187.9), Jan 190.7-190.5 (191.4), March 195.0-195.8, May 200.8, July 204.8-205.0, Aug 205.5, Sept 207.0, Oct 207.5, Dec 212.0.

Soyabean Oil—Dec 20.30-20.32 (20.56), Jan 20.70-20.69 (20.92), March 21.30, May 21.75-21.80, July 22.30, Aug 22.45, Sept 22.60-22.65, Oct 22.70-22.75, Dec 22.95-22.85.

†Wheat—Dec 434-433½ (435¾), March 460-460½ (461½), May 468½-469½, July 464-463½, Dec 491½.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lb). § $Can. per metric ton. §§ $ per 1,000 sq ft. ‡ Cents per dozen. †† $ per metric ton.

Thursday's closing prices

NEW YORK, November 12.

††Cocoa—Dec 1898 (1901), March 1977 (same), May 2025, July 2050, Sept 2072, Dec 2094, March 2116. Sales: 2,250.

Coffee—"C" Contract: Dec 148.75-149.00 (144.45), March 139.97 (135.97), May 134.29, July 132.35, Sept 131.25, Dec 128.50-128.75, March 125.50-127.00. Sales: 2,327.

Cotton—No. 2: Dec 62.95-63.05 (63.33), March 65.40-65.50 (65.58), May 67.10-67.15, July 68.95, Oct 71.00-71.15, Dec 72.10, March 73.25-73.50. Sales: 3,600.

Orange Juice—Jan 119.30-118.50 (119.50), March 121.80-121.90 (121.65), May 123.75-124.00, July 125.80, Sept 128.00-129.50, Nov 129.10-129.60. Sales: 850.

CHICAGO, November 12.

Chicago Imm Gold—Dec 414.8-414.0 (411.5), March 426.7 (423.5), June 440.8, Sept 455.1, Dec 469.6, March 484.3, June 499.2, Sept 514.3.

INDICES

FINANCIAL TIMES

Nov. 12	Nov. 11	Month ago	Year ago
254.02	253.62	260.18	268.55

(Base: July 1, 1952=100).

MOODY'S

Nov. 12	Nov. 11	Month ago	Year ago
995.3	994.0	1007.7	1303.1

(December 31, 1931=100)

DOW JONES

Dow Jones	Nov. 12	Nov. 11	Month ago	Year ago
Spot	360.09	359.62	357.92	497.74
Fut'rs	376.56	373.14	375.88	502.85

(Average 1924-25-26=100)

REUTERS

Nov. 13	Nov. 12	M'nth ago	Year ago
1629.1	1616.2	1664.8	1745.0

(Base: September 18, 1931=100)

SUGAR

LONDON DAILY PRICE—Raw sugar £156.00 (£157.00) a tonne cif Nov-Dec shipments. White sugar daily price £171.00 (£174.00).

Prices drifted in dull trading conditions, reports C. Czarnikow.

No. 4 Contract	Yest'rdy's close	Previous close	Business done
	£ per tonne		
Jan	160.25-60.50	160.25-61.00	161.50-60.25
March	164.25-64.35	165.20-65.25	165.50-64.00
May	167.35-67.50	168.00-68.30	169.50-67.25
Aug	170.50-71.00	172.70-72.80	175.00-71.00
Oct	175.50-75.75	177.10-77.45	178.75-76.00
Jan	177.50-81.75	179.00-80.50	—
March	182.50-85.00	184.25-86.00	—

Sales: 2,256 (4,373) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £375.00 (same) a tonne fob for home trade and £265.5 (£266.5) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for November 12: Daily price 11.95 (11.89); 15-day average 11.79 (11.76).

POTATOES

LONDON POTATO FUTURES—All positions were firmer, with short covering moving April to £100.00 before weekend profit taking trimmed gains towards the close, reports Coley and Harper. Closing prices: Feb 87.50, unchanged (high 88.50, low 87.40); April 98.80, +1.80 (high 100.00, low 96.90); Nov 66.50, +1.00 (high 67.00, low 66.20). Turnover: 327 (451) lots of 40 tonnes.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 389 tonnes. Sustained demand brought additional purchases, chiefly in Middle Eastern growths. Fresh support in African qualities was reported.

★

GRIMSBY FISH—Supply fair, demand moderate. Prices at ship's side (unprocessed) per stone: Shelf cod £4.00-£5.00, codlings £3.20-£3.60. Large haddock £3.20-£3.80, medium £2.70-3.40, small £1.50-£2.20. Large plaice £6.90, medium £6.70, best small plaice £4.20-£4.70. Skinned dogfish (large) £4.50, (medium) £4.00. Lemon soles (large) £14.00, (medium) £11.00. Saithe £1.80-£2.00.

Stock Exchange dealings

The list below, restricted mainly to equities and convertible stocks, has been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission. It shows prices at which business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange's Talisman checking system.

The prices are not in order of execution, but in ascending order which denotes the day's highest and lowest dealing price.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business done during the previous four business days is given with relevant dates appended. The number of bargains done on Thursday in each section is shown against the respective sub-headings. Unless otherwise indicated the shares are 25p fully-paid.

‡ Bargains at special prices. Δ Bargains done with a non-member or executed in overseas market. ○ Bargains done previous day. $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Mc—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BANKS, DISCOUNT (530)

BREWERIES (375)

COMMERCIAL (8,231)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

FINANCIAL TRUSTS (279)

INSURANCE (386)

INVESTMENT TRUSTS (387)

UNIT TRUSTS (10)

MINES—Miscellaneous (212)

MINES—South African

OIL (718)

PROPERTY (411)

PLANTATIONS (33)

RAILWAYS (6)

SHIPPING (123)

UTILITIES (19)

UNLISTED SECURITIES MARKET

[10-11 / ios / 12s]

198 (6/11)
Intl. Designers (10p) 28
90p. New 785 90 800
(Ir£0.25) 17 8 9
Computers (Systems) (10p) 99
Sea Associates 177 80 2
Real Estate (8p) 25 (11/11). Ord.
(£1) 150 5
Petroleum 150 3
(£1) 680 (6/11)
International Secs (10p) 14½
(£1) 490
Secs. 219 (9/11)
Finance Holdings (10p) 40
Holdings (20p) 28 (10/11)
Building Construction Group (50p)
New (10p) 98½ 9
Letter (5p) 84
Participations (10p) 130 2 3 5 7
Acreage (20p) 395 405
Cable Communications 51
New 45 6 7 8
Holdings 113 (11/11)
Group (5m) 6
Thomson (20p) 41½ 2 (11/11)
Holdings (10p) 105. New (10p)
Motorcycles (50p) 40
Electronic Controls New (10p)
Service (10p) 17 (11/11)
Leisure Group (10p) 86 7
Exploration NPV 92 3 4 ½ 5
Paints New 74 6
Brookes (10p) 125 7 30 2
Continental Advert Holdings (8p)
Private Health Group 26 7½
Harvey 78
Secs. 54.6pcPfd. 117½ 8
Wine 31
Reprographics (10p) 63
Marts Group 70 (10/11)
R. H. Group (10p) 43 (11/11)

Southwest Consolidated Resources (10p) 26 (11/11)
Sovereign Oil Gas 375 8
Stanelco (10p) 70
Star Computer Group (10p) 190 (11/11)
Thames Secs. (£1) 154 6 60 12pcPf. 127 (6/11)
Thorpac Group (5p) 93 (11/11)
Trident Computer Service 104½ 5 6 (11/11)
Trust Secs. Holdings (40p) 282 4 5 8
United Ceramic Distributors (20p) 70 (11/11)
United Electric Holdings (20p) 42 3 (6/11)
United Friendly Insur. B (10p) 225 (11/11)
VW New 58 9 60
Webber Electro Components (12½p) 105 (11/11)
Willaire Systems (10p) 12 3 4
Zygal Dynamics (5p) 90 (11/11)

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an Overseas Stock Exchange.

* Denotes Irish currency.
AOG 10
Aimek 37 8 40 (11.11)
Alliance Oil Devpt. Australia 98 U.S.$1.83
Allied Chemical £24¼ (6 11)
Allstate Exp. 460 (11/11)
Amad 8
American Elec. Power 862½ (10 11)
American Home Products £19 (10.11)
American Standard £14⅛ (9 11)
American Teleg. and Teleg. £33
Ampol Exp. 170 (11 11)
Ampol Petroleum 96 (10 11)
Anglo Utd. Development 500 48 (11/11)
Apex Oil (A$0.25 Pd.) 9
Argosy Gold Mining 12 (9/11)
Ashton Mining 90 1
Atlantic Richfield U.S.$47¼ (10/11)

...

Poseidon 1980 90 5
Power Corp. of Canada 680 (9/11)
Prime Computer £12½ (6/11)
Project Oil Exp. 350 (9/11)
Queen Margaret Mines 14½ (11/11)
Reef Oil 87
Rembrandt Grp. 432 (11/11)
Renison 300 (9/11)
Repco 70 (11.11)
Revlon £14½
Royex Sturgex Mining 405
SASOL 155 6½ 7 8 9 US$2.94
S and K Petroleum 150 (11/11)
Sabina 25½ (9/11)
Samantha Expln. 26 (11/11)
Santos 330

Village Main Reef Gold Mng. 900 (6/11)
Vulcan Mins. 18 (6/11)
Wah Kwong Props 22 (6 11)
Waltons 44 (11/11)
Warrior Res. 62 7 70 5
Westfield Mins. 55 (9/11)
Westurz Pet. 65½
Westinghouse Elect. £13¼
Wheelock Marden A 65½ 7½
Wheelock Marden B 3½ (11/11)
Whim Creek Cons. 30½ 40
Woodside Pets. 74 (11 11)
Woolworths (F.W.) and Co. of America 950
World Int. 33
York Resources 21½

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

* Denotes Irish currency.
American Oil Field Systems 122
Aran Energy (Ir£0.20) 26 7 8 30
Atlantic Resources (Ir£0.25) 225 30 3
Berkeley Exploration and Production 345 8
Caledonian Offshore 105 10
Candecca Resources 205 10 1 2 3 4 5 6 7 8 20 2 3 4 6
Eglinton Oil and Gas (Ir£0.20) 100
Marinex Petroleum 120 2
Steaua Romana (British) 60
Sun Oil Company (UK) Oil Royalty Stock Units (1p) 160½

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

* Denotes Irish currency.
All England Lawn Tennis Gnd. £50Db. 1981-85 £8,700
Alliance Building Soc. 14¼pc Bonds £99.665pc 670pc (10/11)
Aston Villa FC (15 votes) £85 100 (11/11)
Aston Villa FC (1 vote) 700 (11/11)
Birmingham FC 550
Cambridge Petroleum Royalties 305
Carrs Milling Ind. 7½pcLn. 2001-05 £44pc (10/11)
Celtic Basin Oil Expl. 165 75 (11/11)
Channel Hotels and Props. 13 (6/11)
CIC Inv. 33-64ths ¼
CIC Inv. (10p)
CTR Secs. 13 (11/11)
Clairmace 10
Comcl. Bank of Wales 79
Dalkeith (Ceylon) 14
Daniels Stoud 7¼pcMtg.Db. 1981-86 £77pc (6/11)
Deltenne 21
Dollar Land 29 (6/11)
Douglas Gas Light 155 60
Eldridge Pope A 285
Evchein 75
Exchem Did. Ord. 18
Gibbs (M.) 216 (6/11)
GRA Prop. Tst. 15 ¼ ½
Guernsey Gas Light 400 3 (11/11)
Harrison Cowley 69½ 70 (10/11)
Hemerdon Mng. and Smelting 59 (11/11)
Imperial Cont. Gas Assoc. 12½pcLn. 1985 £80pc 2pc (10/11)
Instant Starter Eng. 1 (11/11)
Intervision Video (Hldgs.) Pfd 25 6 ½ 8
Intervision Video (Hldgs.) 7pcCnv.Pf. 95
Jen... Purser 4½
J... Bros. 150 (6/11)
J... 13½
K... Props. 48
L... Stores 230
L... Ass. 287
Mainline Elect. 1¼
Mainline Elect. 12pcCnv.Pt.Pfd.Rd. 1½ (11/11)
Manchester Stock Exch. Bldgs. 350 1 5
Mans Petroleum 10½ (11/11)
Nationwide Leisure 9 10½
NMW Computers 151 (11/11)
Norton Villiers Triumph 1 ¼
OKE 200 5
Oldham Brewery 138 42
Oval Highfields 30 (11/11)
Pan Atlas 7 (9/11)
PMPA Insce. 40*
Plantation and Gen. Invs. 60 (9/11)
Plumpton Racecourse 70 1
Portsmouth Water 4pcPerp.Db. £24pc (10 11)
Roche Plant 20
Rowe Evens Inv. 33 (11/11)
Scottish Ceylon Tea 33 (11/11)
Severn Valley Railway 80 (10/11)
Sheraton Sec. Intnl. 11½ 2 (11/11)
Simons 48 50 (9/11)
Sinclair (Wm.) 35
SPO Minerals 24 (11/11)
Star Offshore Services 48
3M UK 43pcPf. 38½ (11/11)
Tom Hill 7 (6/11)
Wadworth 460
Wetabix A (Non-Vtg.) 82 4 (9/11)
Welsh Inds. Inv. Tst. Pfd. 140 (10/11)
Wessex Water Authority 4½pc 1987 £50pc (11/11)
Yelverton Inv 23½ 4 6

(By permission of the Stock Exchange Council)

FT UNIT TRUST INFORMATION SERVICE

OFFSHORE & OVERSEAS FUNDS

MONEY MARKETS

The Treasury bills rate fell sharply at yesterday's tender to 13.8390 per cent from 14.8957 per cent and the minimum accepted bid rose to £96.54 from £96.28. Bids at that level were met as to about 36 per cent and above in full. The £100m of bills on offer attracted bids of £413.81m and all bills offered were allotted. Next week a further £100m will be on offer, replacing a similar amount of maturities.

Day-to-day credit was in short supply in the money market and the Bank of England gave an early forecast of −£700m. The main factors affecting the market included bills maturing in official hands −£40m, Exchequer transactions −£575m and a rise in the note circulation −£135m. The Bank gave assistance during the morning totalling £425m. This comprised outright purchases of £6m of Treasury bills in band one (up to 14 days) at 14⅝ per cent and £16m of eligible bank bills at 14⅝ per cent. In band two (15-33 days) the Bank bought £20m of local authority bills at 14⅝ per cent and £154m of eligible bank bills at 14⅝ per cent. In band three (34-63 days) the Bank bought £12m of local authority bills at 14½ per cent and £17m of eligible bank bills at 14⅞ per cent. In addition the authorities entered into a sale and repurchase agreement on £200m of bills at 14½-15 per cent, unwinding on November 17.

At 2 pm the shortage was modified to around −£800m without taking into account the morning help and the Bank gave additional assistance of £426m, making a total of £851m. This comprised purchases in band one of £7m of local authority bills at 14⅝ per cent and £6m of eligible bank bills at 14⅝ per cent.

EXCHANGES AND BULLION

Sterling continued to rise in currency markets yesterday, influenced mainly by a continued fall in U.S. interest rates. UK rates were also easier but with three-month Euro-dollars at 13¼ per cent and three-month Euro-sterling at 14⅞ per cent, the pound attracted renewed interest. Against the dollar it opened at $1.9175 and touched a best level of $1.9200 before easing back to a low for the day of $1.9000 in the afternoon before closing at $1.9070-1.9080, a rise of 1.3c from Thursday and its highest closing level since the end of June. Against the D-mark it closed at DM 4.24 from DM 4.1950 and SwFr 3.3450 from SwFr 3.3375. It was also higher against the French franc at FFr 10.6675 from FFr 10.5750.

On Bank of England figures, the pound's trade weighted index rose to 90.7 from 89.4, having stood at 90.1 at noon and 90.2 in the morning.

The dollar showed mixed changes, finishing some way below its best level. Further signs of a recession appeared with the latest U.S. industrial production figures for October which showed a 1.5 per cent fall against 1.2 per cent in September. The dollar's index on Bank of England figures rose slightly to 107.0 from 106.7. However the dollar eased in late trading, reflecting a further decline in Euro-dollar rates. The three-month rate fell to 13¼ per cent from 13⅝ per cent. Against the D-mark, the dollar rose to DM 2.2210 from DM 2.2125 but fell against the Swiss franc to SwFr 1.7525 from SwFr 1.7600. It was slightly firmer against the yen at Y227.25 compared with Y227.0.

Gold rose $1¼ an ounce in the bullion market to close at $411½-$412½.

THE POUND SPOT AND FORWARD

Nov 13	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.9000-1.9200	1.9070-1.9090	0.27-0.17c pm	1.38	0.60-0.50 pm	1.15
Canada	2.2570-2.2800	2.2670-2.2690	0.45-0.55c dis	−2.64	1.00-1.20dis	−1.94
Nethlnd.	4.60-4.66	4.62½-4.63½	1¼-¾c pm	2.59	3½-3 pm	2.81
Belgium	70.60-71.40	71.05-71.15	4-14c dis	−1.52	35-45 dis	−2.25
Denmark	13.57-13.70	13.63½-13.65½	1⅛ore pm-¾ dis	0.38	1¼ pm-½ dis	0.16
Ireland	1.1880-1.2010	1.1960-1.1980	0.19-0.29p dis	−2.41	0.82-0.93dis	−2.92
W. Ger.	4.20½-4.26	4.23½-4.24½	1⅝-1⅛pf pm	3.89	4⅛-3⅞ pm	3.89
Portugal	121.50-123.25	122.50-122.80	15-236c dis	−12.23	90-455 dis	−8.89
Spain	181.25-183.50	182.20-182.40	20-45c dis	−2.14	40-55 dis	−1.04
Italy	2252-2271	2263½-2265½	11½-14¼lire dis	−6.89	41-45 dis	−7.59
Norway	11.10-11.17	11.12-11.13	1¾ore pm-par	0.67	3-1½ pm	0.85
France	10.61-10.74	10.66¼-10.67¼	1¼-2¼c dis	−1.97	7-8 dis	−2.81
Sweden	10.41-10.48	10.43-10.44	2½-1½ore pm	2.37	6¼-5¾ pm	2.39
Japan	430-438	433-434	2.80-2.60y pm	7.47	7.60-7.30 pm	6.87
Austria	29.55-29.80	29.67-29.72	14-9gro pm	4.65	29-19 pm	3.23
Switz.	3.33-3.38	3.34-3.35	1¾-1¼c pm	5.38	3½-3⅞ pm	4.63

Belgian rate is for convertible francs. Financial franc 78.85-78.95. Six-month forward dollar 0.72-0.62c pm. 12-month 0.80-0.65c pm.

GOLD

	Nov. 13		Nov. 12	
Gold Bullion (fine ounce)				
Close	$411½-412½	(£215¼-215¾)	$410-411	(£216¼-216¾)
Opening	$414½-415½	(£216½-217)	$412-413	(£218½-219)
Morning fixing	$414	(£217.152)	$412.25	(£218.526)
Afternoon fixing	$412.50	(£215.517)	$411.50	(£217.875)
Gold Coins				
Krugerrand	$425-426	(£222¼-222¾)	$422½-423½	(£223-223½)
1/2 Krugerrand	$218½-219½	(£114¼-114¾)	$218-219	(£115-115½)
1/4 Krugerrand	$111½-112½	(£58¼-58¾)	$111-112	(£58½-59)
1/10 Krugerrand	$45½-46½	(£23¾-24¼)	$45¼-46¼	(£23¾-24½)
Mapleleaf	$424-426	(£221¾-222¾)	$422-424	(£222¾-223¾)
New Sovereigns	$101-102	(£52¾-53¼)	$100½-101	(£53-53¼)
King Sovereigns	$107-109	(£56-57)	$107-109	(£56½-57½)
Victoria Sovs.	$107-109	(£56-57)	$107-109	(£56½-57½)
French 20s	$91-101	(£47½-52¾)	$90-100	(£47½-52)
50 pesos Mexico	$511-514	(£267¼-268¾)	$508-511	(£268-269½)
100 Cor. Austria	$400-403¾	(£209¼-211¼)	$397-401	(£209½-211½)
$20 Eagles	$506-511	(£264½-267¼)	$505-510	(£266½-269½)

EXCHANGE CROSS RATES

Nov. 13	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.908	4.240	433.6	10.668	3.345	4.630	2265.	2.268	71.10
U.S. Dollar	0.524	1.	2.222	227.2	5.591	1.753	2.427	1187.	1.189	37.26
Deutschemark	0.236	0.450	1.	102.2	2.516	0.789	1.092	534.1	0.535	16.77
Japanese Yen 1,000	2.307	4.401	9.781	1000.	24.61	7.716	10.68	5224.	5.232	164.0
French Franc 10	0.937	1.789	3.975	406.4	10.	3.136	4.340	2123.	2.126	66.65
Swiss Franc	0.299	0.570	1.268	129.6	3.189	1.	1.384	677.0	0.678	21.26
Dutch Guilder	0.216	0.412	0.916	93.63	2.304	0.722	1.	489.1	0.490	15.36
Italian Lira 1,000	0.442	0.843	1.872	191.4	4.711	1.477	2.045	1000.	1.002	31.40
Canadian Dollar	0.441	0.841	1.869	191.1	4.703	1.475	2.041	998.5	1.	31.35
Belgian Franc 100	1.406	2.684	5.963	609.7	15.00	4.705	6.512	3185.	3.190	100

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Nov. 13	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	15-15¼	13-13½	17½-18½	11⅝-11⅞	4¾-5¼	10⅛-10⅜	15¾-16	17-19	13-15	6½-6¾
7 days' notice	15½-15¾	13⅛-13⅜	17½-18½	11⅝-11⅞	5½-6	10¼-10½	15¾-16¼	20-22½	13¾-15	6¾-7
Month	14¾-14⅞	13-13¼	16¾-17½	11⅝-11⅞	8⅝-8¾	10⅜-10⅝	16⅛-16⅝	20¾-21¾	15¾-16¾	7-7¼
Three months	14⅝-14⅞	13-13¼	16½-16¾	11⅝-11⅞	9⅜-9½	10⅜-10⅝	17-17½	21½-22½	16½-17¼	7⅛-7⅜
Six months	14⅝-14⅞	13¼-13½	15¾-16¼	11⅝-11¾	9⅛-9⅜	9⅞-10	17¾-18¼	21¼-23	16½-17¼	6⅞-7⅛
One Year	14½-14¾	13⅝-14	15¾-16¼	11⅝-11¾	8⅝-8⅞	9¾-9⅞	18¼-19	21¼-23¼	15⅝-16¼	7-7¼

SDR linked deposits: one month $12^{7}/_{16}$-$12^{11}/_{16}$ per cent; three months $12^{9}/_{16}$-$12^{13}/_{16}$ per cent; six months $12^{9}/_{16}$-$12^{13}/_{16}$ per cent; one year $12^{13}/_{16}$-$13^{1}/_{16}$ per cent.
ECU linked deposits: one month 13¾-14⅛ per cent; three months 14¼-14⅝ per cent; six months $14^{5}/_{16}$-$14^{9}/_{16}$ per cent; one year 14⅛-14½ per cent.
Asian $ (closing rates in Singapore): one month 13¼-13½ per cent; three months $13^{7}/_{16}$-$13^{9}/_{16}$ per cent; six months 13⅝-13¾ per cent; one year 13⅞-14 per cent.
Long-term Eurodollar two years 14¾-15 per cent; three years 14¾-15 per cent; four years 14⅞-15⅛ per cent; five years 14⅞-15⅛ per cent nominal closing rates.
The following nominal rates were quoted for London dollar certificates of deposit: one month 12.90-13.00 per cent; three months 12.95-13.05 per cent; six months 13.00-13.10 per cent; one year 13.50-13.60

FT LONDON INTERBANK FIXING (11.00 a.m. NOVEMBER 13)

3 months U.S. dollars		6 months U.S. dollars	
bid 13 7/16	offer 13 9/16	bid 13 9/16	offer 13 11/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

Nov. 13 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ◆	Eligible Bank Bills ◆	Fine Trade Bills ◆
Overnight	—	6-16¾	15-15½	—	—	15-16	10-15	—	—	—
2 days notice	—	—	16⅛-15⅞	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	15½-15¾	15¼-15⅜	—	—	15¾-16	14¾-15	—	—	—
One month	14⅞-15¼	15⅛-15¼	15	15⅝-15⅜	14⅞	16¼-16½	14½-14¾	14⅝-14⅞	14⅝	15⅜
Two months	14⅝-14½	14½-15⅛	—	15½-15¼	14⅝	15¼	14¼	14¼-14⅞	14¼	14⅞
Three months	14⅜-14¼	14¾-14⅞	14¾	15-14¾	14½	—	14⅛	13⅞	13⅞	14½
Six months	14-13⅞	14⅛-14½	14½	14-13⅞	14⅜	—	—	—	13⅞	13¾
Nine months	14-13⅞	14⅛-14⅜	—	14⅛-14	14⅜	—	—	—	—	—
One year	14-13⅞	14⅛-14⅜	14⅝	14⅛-13⅞	14⅛	—	—	—	—	—
Two years	—	—	14¾	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 14⅞ per cent; four years 15 per cent; five years 15 per cent. ◆Bank bill rates in table are buying rates for prime paper. Buying rates for four month bank bills 13⅞ per cent; four month trade bills 14⅝ per cent.
Approximate selling rate for one month Treasury bills $14^{1}/_{2}$-$14^{9}/_{16}$ per cent; two months $14^{1}/_{2}$-$14^{13}/_{16}$ per cent; three months 13⅞ per cent. Approximate selling rate for one month bank bills $14^{1}/_{2}$-$14^{17}/_{32}$ per cent; two months 14⅞ per cent; and three months $13^{11}/_{16}$ per cent; one month trade bills 15⅛ per cent; two months $14^{11}/_{16}$ per cent; three months 14¼ per cent.
Finance Houses Base Rates (published by the Finance Houses Association) 16 per cent from November 1 1981. Clearing Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 15½ per cent. Treasury Bills: Average tender rate of discount 13.8390 per cent.

CURRENCY MOVEMENTS

Nov. 13	Bank of England Index	Morgan Guaranty Changes%
Sterling	90.7	−33.9
U.S. dollar	107.0	+0.8
Canadian dollar	88.2	−16.5
Austrian schilling	118.9	+24.7
Belgian franc	106.9	+9.6
Danish kroner	89.1	−8.6
Deutsche mark	123.3	+44.0
Swiss franc	156.8	+107.5
Guilder	115.7	+20.3
French franc	81.8	−13.7
Lira	56.1	−57.4
Yen	139.2	+33.8

Based on trade weighted changes from Washington agreement December, 1971. Bank of England index (base average 1975=100).

OTHER CURRENCIES

Nov. 13	£	$		£ Note Rates
Argentina Peso	12,323-12,343†	6439-6459†	Austria	29.45-29.75
Australia Dollar	1.6695-1.6715	0.8740-0.8746	Belgium	78-79
Brazil Cruzeiro	222.53-223.53	116.35-116.91	Denmark	13.57-13.71
Finland Markka	8.276-8.289	4.3335-4.3355	France	10.60-10.75
Greek Drachma	104.240-107.400	55.85-56.05	Germany	4.20¾-4.24¾
Hong Kong Dollar	10.73½-10.80¼	5.63-5.66	Italy	2255-2305
Iran Rial	148.75*	79.40*	Japan	433-438
Kuwait Dinar (KD)	0.536-0.542	0.2810-0.2812	Netherlands	4.59½-4.64½
Luxembourg Fr.	71.05-71.15	37.27-37.29	Norway	11.09-11.19
Malaysia Dollar	4.2820-4.2920	2.2450-2.2480	Portugal	120-131
New Zealand Dlr.	2.2990-2.3030	1.2045-1.2055	Spain	178¾-189½
Saudi Arab. Riyal	6.52-6.58	3.4160-3.4190	Sweden	10.42-10.52
Singapore Dollar	3.91-3.92	2.0500-2.0530	Switzerland	3.33¼-3.36¼
Sth. African Rand	1.8315-1.8335	0.9600-0.9610	United States	1.90-1.92
U.A.E. Dirham	7.00-7.06	3.6715-3.6735	Yugoslavia	81-87

†Rate given for Argentina is the commercial rate. The financial rate for sterling is 24,935-25,015 and for the dollar 13,050-13,100.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU November 13	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	40.7572	41.0086	+0.62	+0.16	±1.5388
Danish Krone	7.91117	7.87639	−0.44	−0.90	±1.6412
German D-Mark	2.40989	2.44411	+1.42	+0.96	±1.1077
French Franc	6.17443	6.16082	−0.22	−0.68	±1.3733
Dutch Guilder	2.66382	2.67278	+0.34	−0.12	±1.5063
Irish Punt	0.684452	0.691378	+1.01	+0.55	±1.6688
Italian Lira	1300.67	1307.12	+0.50	+0.50	±4.1229

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times. Sterling/ECU rate for November 13 — 0.578530.

U.K. CONVERTIBLE STOCKS 13/11/81

Statistics provided by *dataSTREAM International*

Name and description	Size (£m)	Current price	Terms*	Conversion dates♧	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Div.▽	Cheap(+) Dear(−)◇ Current
British Land 12pc Cv. 2002	9.60	276.50	333.3	80-97	4.3	1.8	− 3.5	− 5 to 11	16.5	85.5	24.1	+27.6
Hanson Trust 6½pc Cv. 88-93	3.02	154.50	57.1	76-82	4.2		− 6.8	−11 to 4	4.3	0.0	−2.6	+ 4.2
Slough Estates 10pc Cv. 87-90	5.31	222.50	187.5	78-84	4.5		− 6.6	− 8 to 5	19.0	17.1	−0.8	+ 5.8
Slough Estates 8pc Cv. 91-94	24.88	107.00	78.0	80-91	7.4	6.8	8.0	6 to 27	27.8	43.2	15.6	+ 7.6

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ▽ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♧ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

LONDON STOCK EXCHANGE

New Government funding checks short Gilts but proves beneficial to longer issues on yield considerations

Account Dealing Dates

*First Dealings	Declarations	Last Dealings	Account Day
Oct 26	Nov 5	Nov 6	Nov 16
Nov 9	Nov 19	Nov 20	Nov 30
Nov 23	Dec 3	Dec 4	Dec 14

Option

* "New time" dealings may take place from 9 am two business days earlier.

The mood of optimism created by falling interest rates at home and abroad continued to underpin London stock market values yesterday. The emphasis remained on Government securities with Continental sources showing willingness to commit sizeable funds which offset the effects of selling by domestic investors taking profits after the recent sustained advance.

The progress in Gilts was checked to an extent by speculation concerning new Government funding and this duly came after the official, 3.30 pm, close via a £1bn issue of Exchequer 14 per cent 1986 stock, payable £40 on application at a minimum tender price of £95¾. Following the customary trading recess, the shorts came off the best and settled only marginally higher on balance. Longer maturities, however, relished the freedom from tap and, in a market short of stock, went higher still.

Stocks with maturities extending into the next century did particularly well along with the two index-linked issues. Final gains in the area ranged to a point, while medium-life stocks ended ¾ dearer. The FT Government Securities index closed 0.45 up a 63.68 for a rise of 3.29, or more than 5 per cent, over the past three weeks.

With the latest troubles in the motor industry adding to the already uncertain UK labour scene, leading shares began to drift lower after opening fully steady. Business was extremely slow and equity markets failed to respond to the tone in Gilts. The FT Industrial Ordinary share index reflected the lethargic mood with a fall of about 4 points at 3 pm after having shown a fractional improvement at 10 am.

New background factors such as the latest RPI figure and this week's sharply lower Treasury bill rate made no apparent impression on sentiment, but late speculation about further bank base rate cuts aroused buying interest after-hours despite easiness in early Wall Street quotations. The index soon recovered its earlier fall and, at 519.2, closed a net point better on the day and 24.7 up on the week for a gain of nearly 11 per cent in the past fortnight.

Demand for Traded options declined sharply, only 815 deals being arranged—the lowest total for two weeks. The week's daily average amounted to 1,163.

Commercial Union, which reported a 26 per cent contraction in third-quarter profits and a sharp increase in underwriting losses to £98.1m on Tuesday, eased 5 more to 129p on sporadic offerings and lack of support. **Royals**, the next to announce quarterly results on Monday, cheapened 2 to 373p, while the recently favoured **Sun Alliance** lost 10 to 930p on profit-taking. **Eagle Star** dipped 5 to 311p. Other Insurances were irregular. **C. E. Heath** put on 4 to 312p and **Willis Faber** appreciated 8 to 385p but **Brentnall Beard** were marked 4 lower to 25p, while **Pearl** added 10 at 406p and **Hambro Life** softened 4 to 332p.

Manson Finance stood out in an otherwise lacklustre banking sector, rising 7 to 60p on speculative demand in a thin market. Discounts hardened in places with **Seccombe Marshall and Campion** up 15 at 245p and **Union** closing 10p to the good at 430p. **Grindlays** dipped 4 to 190p and **Royal Bank of Scotland** cheapened 2 to 164p. The quietly dull clearers had **Lloyds** 4 easier at 408p and **NatWest** a similar amount lower at 398p.

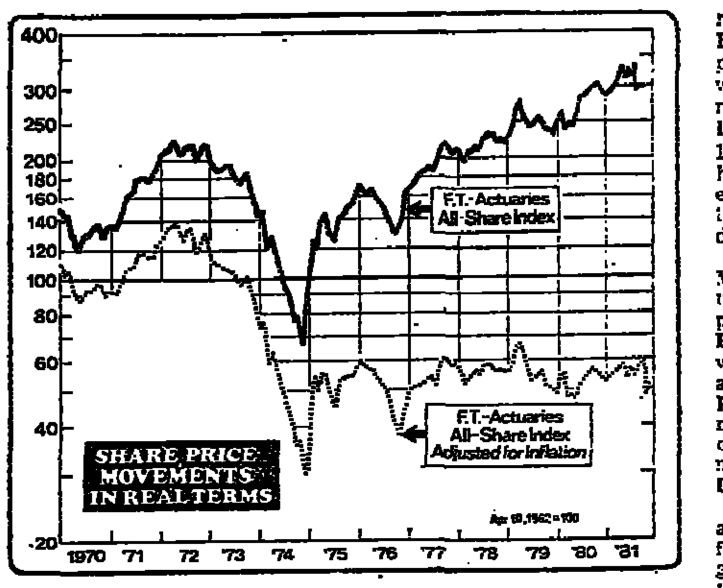
Leading Buildings were virtually untested, but selected secondary issues responded to occasional support. Fresh demand lifted **Benford Concrete Machinery** 2 to a 1981 peak of 54p, while **Tunnel B** hardened 5 to 450p and **Breedon and Cloud Hill Lime Works** improved a couple of pence to 122p.

Business in *ICI* was at a low ebb and the close was 2 cheaper at 286p.

BHS wanted

British Home Stores became an active market reflecting revived takeover rumours, and the shares, the subject of considerable option business lately, closed 8 higher at 138p. Other Store majors also ended the week with a firmer bias. **Gussies A** rose 6 more to 438p, while **Mothercare** picked up a couple of pence to 136p. Newsagents, firm earlier in the week after favourable comment, made further progress; **John Menzies**, 210p, and **Martin**, 222p, added 6 and 4 respectively, but **W. H. Smith**, first-half results expected next Wednesday, eased the turn to 167p. A more detailed appraisal of the interim figures clipped a couple of pence from **Aquascutum A**, 30p, while **Owen Owen** came on offer at 193p, down 7. Mail-orders were selectively firm, notably **Freemans** which added 2 for a gain on the week of 16 to 128p following a broker's circular.

Following Thursday's firmness, the popular electrical leaders succumbed to profit-taking. When this was fully satisfied, however, prices started to rally just before the House close and quotations at the end were well above the day's lowest. **GEC** closed only a few pence off at 752p, after 740p, while **Plessey** finished 8 down at 337p, after 333p. **Thorn EMI** gave up 7 to 440p, after 435p, and **Racal** declined 8 to 415p, after 410p. Elsewhere, revived demand in a thin market lifted **Normand Electrical** 6 to 36p, while **Farnell** rose 7 to 472p, after 483p.



Quietly dull for most of the trading session, leading Engineers rallied in the after-hours' dealings with **GKN** ending a couple of pence dearer on balance at 160p. Secondary issues were featured by a rise of 18 to 128p in **Clyde Blowers** in response to the increased dividend and profits. **Adwest** were also noteworthy for a gain of 8, to 161p, while **Ransomes Sims** encountered sporadic support and put on 6 to 136p. **Howden** edged up 4 to 147p. **Staveley**, in contrast, eased 6 to 200p on further consideration of the half-yearly results. Other dull spots included **Davy Corporation**, 4 cheaper at 173p, and **Haden**, which encountered occasional profit-taking and eased 3 to 232p. The bigger loss and omission of the dividend left **Stothert and Pitt** 3 down at 68p.

The Food sector, which has recently attracted considerable speculative activity, ended the first leg of the Account on a subdued note. **British Sugar** eased 3 to 377p, but retained a gain on the week of 62 in the wake of **Ranks Hovis McDougall's** dawn raid on the company and BSC's announcement on Wednesday of excellent preliminary results. **RHM**, annual results November 24, softened a penny to 66p. **Unigate**, also a strong market of late, touched 100p before reverting to the overnight level of 98p to register a gain on the week of 10. By contrast, **Linfood** shed a penny more to 157p for a fall on the week of 16; **Argyll Foods'** bid for Linfood lapsed on Tuesday following its reference to the Monopolies Commission and Argyll subsequently sold its 29.9 per cent stake in Linfood to various institutions at 156p per share. **Argyll** closed a penny cheaper at 99p, still up 7 on the week.

Among Hotels and Caterers, **De Vere** shed 5 to 185p on the sharply lower interim profits. **Kennedy Brookes** also lost 5, to 125p, following the agreed purchase of the **Mario and Franco** resturant chain from Dalgety for £1.05m.

Huntleigh good

Speculative buying fuelled by vague takeover suggestions helped **Huntleigh** to rise 13 for an advance on the week of 16 at 96p. Elsewhere in miscellaneous industrials, **Thomas Marshall (Loxley) A** firmed 4 to 37p in response to an investment recommendation and **J. Bibby** put on 5 to 275p for a similar reason. Still reflecting the board's expansion plans and confident remarks about second-half prospects, **Charles Hill of Bristol** rose 5 for a two-day gain of 18 at 138p. **Amber Industrial** appreciated 7 to 30p following further consideration of the sharply increased interim earnings and renewed speculative buying lifted **J. and J. Dyson** ordinary 5 more to 92p and the A a penny further to 70p. **Johnson Matthey** found support after-hours and finished 8 dearer at 288p, while improvements of 3 and 4 respectively were recorded in **Sears**, 53½p, and **Sterling Industries**, 33p. **Dobson Park** became a prominent dull counter, losing 6 to 77p; the preliminary results are due early next month. The absence of rumoured bid developments left **English China Clays** a couple of pence off but still up 16 on the week at 150p. The withdrawal of recent speculative support left **Inter-City Investments** 2 down at 16½p. Of the leaders, **Glaxo** hardened 2 to 440p and **Beecham** edged forward a penny to 229p; the latter's interim results are due next Wednesday.

The focus of attention among Motor sectors switched to Distributors. Press comment prompted gains of 4 in **Harold Perry**, 76p, and 7 in **Caffyns**, 154p, while late speculative demand in a narrow market lifted **Charles Hurst** 16 to 58p. **Lotus**, a dull market of late, rallied a couple of pence to 25p. Components also made a better showing with **Dunlop** outstanding at 60p, up 3.

Optimism about interest rates again provided the main stimulus for Properties. **Land Securities** gained 5 for a two-day rise of 16 to 331p in front of next Monday's interim results. **MEPC** also continued firmly, adding 5 to 231p, while **Berkeley Hambro** came in for fresh support and put on 8 to 234p. **Samuel Properties** added 4 to 102p. Among secondary issues, **R. Green** put on 5 for a two-day gain of 9 to 83p on takeover hopes, while **Rush and Tompkins**, 214p, and **Greycoat Estates**, 177p, added 6 and 7 respectively, also on speculative interest.

Oils fluctuate

Conditions in the Oil sector remained relatively quiet with quotations fluctuating within narrow limits. Among the leaders, *BP settled without alteration* at 310p, while **Shell**, ahead of third-quarter figures due next Thursday, closed 4 lower at 376p, after 372p. **Candecca** reacted 4 more to 210p following the Brigg number 1 drilling report, but **NCC** recovered further to close 5 higher at 88p. News of the planned merger with **Sceptre Resources**, down 6 at 505p, prompted a gain of 20 to 150p in **Tri-Basin**. **Gas and Oil Acreage** improved 10 more to 415p following the interim statement.

Profit-taking left its mark on Money Brokers, **R. P. Martin** reacting 20 to 350p and **Mercantile House** 15 to 470p to leave gains on the week of 15 and 10 respectively. Elsewhere in Financials, **M and G Group** contrasted with a fresh gain of 10 to 315p, while buying interest revived in **Hambro Trust**, which gained 9 to 144p.

Trading in the Shipping sector was relatively brisk. Following their respective half-year statements, **British and Commonwealth** advanced afresh to 330p before settling at 325p for a rise of 8 on the day, while **Caledonia Investments** gained 20 more to 300p. After Thursday's reaction of 27 on the interim results, **Common Bros.** became an erratic market and touched 225p before recovering strongly to close 17 up on balance at 250p.

Textiles showed modest gains where altered. **Dawson**, interim results expected shortly, added 3 for a gain on the week of 16 to 140p. **John Beales** firmed 2 to 38p following the return to profits and the resumption of the interim dividend.

Golds continue lower

Takeover and property development hopes prompted further speculative support for Plantations. **Malakoff** added 5 more to 88p, while **Consolidated Plantations** rose 3½ to 50p. **Kinta Kellas** closed 8 to the good at 155p, but further consideration of the halved first-half earnings left **Anglo Indonesian** 8 cheaper at 90p. **Inch Kenneth** held at 263p, up 73 o nthe week; the price shown in yesterday's issue was incorrect.

Mining markets ended a generally depressing week on a quietly easier note as the bullion price failed to register any substantial improvement after the losses of the previous three days. The metal price edged up $1.50 to $412 an ounce but remained $16 down on the week.

South African Golds lost ground for the sixth successive day, mainly reflecting persistent small selling and the absence of worthwhile buying support. The *Gold Mines index* gave up 1.4 more to 326.0—a week's fall of 27.0 to its lowest level since August 6.

Financials eased on lack of interest. The London issues were barely changed on balance while South Africans showed falls of around 5 common to **Anglo American Corporation**, 705p and **De Beers**, 348p following the merger proposals for their industrial holding companies.

Australians were again broadly lower, unnerved by the recent declines in precious and base-metals. The leading issues were generally a few pence easier, while **Gold Mines of Kalgoorlie** dropped 10 for a week's loss of 45p to 380p.

Malaysian tins responded to renewed buying from Kuala Lumpur and Singapore. **Berjuntai** advanced 10 to 218p, **Killinghall** a like amount to 510p, **Malaysia Mining Corporation** 5 *to 105p and* **Pahang Consolidated** 4 to 36p.

FINANCIAL TIMES STOCK INDICES

	Nov. 13	Nov. 12	Nov. 11	Nov. 10	Nov. 9	Nov. 6	A year ago
Government Secs.	63.68	63.23	62.66	62.54	[illegible]	[illegible]	[illegible]
Fixed Interest	63.61	63.30	63.07	63.00	[illegible]	[illegible]	[illegible]
Industrial Ord.	519.2	518.2	508.2	508.7	510.9	[illegible]	[illegible]
Gold Mines	326.0	327.4	333.4	347.2	351.7	[illegible]	[illegible]
Ord. Div. Yield	5.75	5.74	5.83	5.81	[illegible]	[illegible]	[illegible]
Earnings, Yld. % (full)	9.61	9.60	9.75	9.58	[illegible]	10.36	[illegible]
P/E Ratio (net) (*)	13.32	13.34	13.12	13.16	12.90	12.50	[illegible]
Total bargains	16,817	21,084	16,352	19,159	[illegible]	[illegible]	20,389
Equity turnover £m.	—	136.96	103.92	127.26	204.72	230.51	140.50
Equity bargains	—	14,355	12,848	14,981	20,077	23,460	17,024

10 am 518.3. 11 am 518.9. Noon 515.4. 1 pm 514.6.
2 pm 514.0. 3 pm 514.1.

Latest Index 01-246 8026.

*Nil = 12.08.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

HIGHS AND LOWS

	1981 High	1981 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	70.61 (20/5)	60.17 (28/10)	127.4 (9/1/35)	49.18 (6/1/75)
Fixed Int.	72.01 (28/5)	61.61 (26/10)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	597.3 (30/4)	446.0 (14/1)	597.3 (30/4/81)	49.4 (26/6/40)
Gold Mines	429.0 (14/8)	362.6 (28/6)	558.9 (22/9/80)	43.5 (26/10/71)

S.E. ACTIVITY

	Nov. 12	Nov. 11
—Daily		
Gilt Edged Bargains	205.6	178.6
Equities Bargains	92.4	81.2
Value	276.6	[illegible]
5-day Avrge.		
Gilt-Edged Bargains	195.8	195.8
Equities Bargains	110.6	111.0
Value	320.4	313.1

NEW HIGHS AND LOWS FOR 1981

The following quotations in the Share Information Service yesterday attained new Highs and Lows for 1981.

NEW HIGHS (18)

BRITISH FUNDS (2)
Treas. 8½pc '80-82 Treas. 3pc '82
FOREIGN BONDS (1)
Ireland 7½pc '81-83
AMERICANS (1)
Bankers NY
CANADIANS (1)
Bell Canada
BEERS (1)
Bulmer (H.P.)
BUILDINGS (1)
Benford Machinery
ENGINEERING (1)
Danks Gowerton
INDUSTRIALS (5)
Combined Tech. Glaxo
Dyson (J. and J.) Triefus
Dyson (J. and J.) A
MOTORS (3)
Appleyard Hurst (Charles)
Caffyns
NEWSPAPERS (1)
Benn Brothers
TEXTILES (1)
Sirdar

NEW LOWS (20)

AMERICANS (5)
Alcoa Tenneco
Kaiser Al. Woolworths
Lone Star
STORES (1)
Pawson (W.L.)
ENGINEERING (2)
Garton Eng. Stothert and Pitt
INDUSTRIALS (5)
CSR Hunting Assoc.
Cowan de Groot UKO Int.
French (Th.)
MOTORS (1)
Dorada
SHIPPING (1)
Common Brothers
TEXTILES (1)
Snia Viscosa
TRUSTS (1)
Mexico Fund
OIL AND GAS (2)
Moonie Oil Westfort Pet.
MINES (1)
Rand London Coal Pref.

LEADERS AND LAGGARDS

Percentage changes since December 31, 1980, based on Thursday November 12, 1981.

Health and H'sehold Products	+35.58	Mechanical Engineering	+
Insurance Brokers	+32.84	Financial Group	+
Food Manufacturing	+29.18	Other Consumer	+
Tobaccos	+28.06	Newspapers, Publishing	+
Contracting, Construction	+25.87	All-Share Index	+
Engineering Contracting	+22.56	Merchant Banks	+
Other Industrial Materials	+22.51	500 Share Index	+
Electricals	+22.08	Mining Finance	+
Leisure	+20.67	Brewers and Distillers	+
Food Retailing	+20.60	Property	+
Textiles	+18.79	Investment Trust	+
Capital Goods	+18.14	Other Groups	+
Building Materials	+17.38	Office Equipment	−
Metals and Metal Forming	+15.38	Chemicals	−
Consumer Group	+14.04	Stores	−
Hire Purchase	+13.91	Overseas Traders	−
Industrial Group	+13.85	Motors	−
Packaging and Paper	+13.52	Shipping and Transport	−
Insurance (Composite)	+13.34	Discount Houses	−
Insurance (Life)	+11.03	Gold Mines Index	−
Banks	+10.28	Oils	−

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday

Stock	Closing price pence	Day's change	Stock	Closing price pence	Day's change
Brit. and Comm.	325	+ 8	Huntleigh	96	+
Brit. Home Stores	138	+ 8	Lucas Inds.	207	+
Caledonia Invs.	300	+20	Marks and Spencer	127	+
Corman Bros.	250	+17	Plessey	337	−
GEC	752	− 3	Shell Transport	376	−
Hanson Trust	286	− 2	Thorn EMI	440	−

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of price changes	Thursday's closing price pence	Day's change	Stock	No. of price changes	Thursday's closing price pence	Day's change
GEC	16	755	+10	LASMO	12	495	
Ultramar	18	500	—	Lucas Inds.	12	205	+
Shell Trans.	15	380	− 2	Mercantile Hse.	12	485	
Inchcape	14	280	+27	Racal Elec.	12	423	+
Town and City	14	24½	+ 2	Royal Ins.	12	375	−
Plessey	13	345	+ 5	Bowater	11	215	+
BAT Inds.	12	361	+ 6	De La Rue	11	655	+

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ending Thursday

Stock	No. of price changes	Thursday's closing price pence	Change on week	Stock	No. of price changes	Thursday's closing price pence	Change on week
Cable Wireless	132	199	− 4†	ICI	79	288	+
GEC	117	755	+30	Shell Trans.	77	380	−
P & O Dfd.	112	130xd	− 4	De La Rue	76	655	−
Plessey	96	345	+15	BP	74	310	−
Racal Elec.	83	423	+15	Ultramar	72	500	+
En. China Clays	80	152	+23	Beecham	70	228	+
Lucas Inds.	80	206	+25	RTZ	69	470xd	−

† Change based on opening price Friday, November 6.

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	78	—	14	336	87	33
Corpns. Dom. and Foreign Bonds	19	2	52	115	27	223
Industrials	282	233	840	1,646	889	4,244
Financial and Props.	143	74	291	870	357	1,313
Oils	25	26	51	125	141	244
Plantations	9	1	13	38	8	69
Mines	20	51	96	116	307	412
Others	26	78	42	195	313	214
Totals	602	465	1,399	3,441	2,129	6,752

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Nov 16	Nov 27	Feb 25	Mar 8
Nov 30	Dec 11	Mar 11	Mar 22
Dec 14	Dec 29	Mar 25	Apr 5

For rate indications see end of Share Information Service

Quiet conditions prevailed in the Option market. Calls were taken out in Scottish and Newcastle, Woolworths, Premier Oil, Sound Diffusion, ICL, Elliott Group of Peterborough, Normand Electrical, Woodside and BSR. Puts were done in ICL, Burmah and Lonrho, while doubles to be arranged included Town and City Properties, Metal Box, Royal Bank of Scotland and Lonrho.

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing price p	+or−	Div.	Times covered	Gross yield	P/E ratio
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Acsis Jewellery	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Asprey	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Cable & Wireless	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Feedback 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Gr'nw'ch Cable Com.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Humberside El. 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Johnstones P'int 10p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sheldon Jones	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	V.W.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price £	+or−
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Asprey 9½% Cum. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Austin (F.) Leyton 11½% Pf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Brooke Bond Liebig 6¼% Deb. '87/92	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Cater Ryder 4.9 2nd Cum. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	E. Worcs Waterworks 10% Red. Prf. '86	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Hawley Leisure 13½% Cum. Pref.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Nat'wide Bdg. Society 15¾% 8/11/82	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Nova Scotia (Province of) 16% Ln 2011	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Staffs. Pots. 10¾ Cnv. Cum. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Tendering H'dred Water 10¾% Rd. Prf. '86	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price p	+or−
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	British Benzol	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Brown & Jackson	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Fosceo Minsep	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lancaster (D.M.)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Northern Foods	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Utd. Newspapers	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Viner's Units	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Websters	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

LONDON TRADED OPTIONS

Nov. 13 Total Contracts 815. Calls 562. Puts 253.

[illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., Nov. 13, 1981 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs. Nov. 12 Index No.	Wed. Nov. 11 Index No.	Tues. Nov. 10 Index No.	Mon. Nov. 9 Index No.	Year ago (approx.) Index No.	1981 High	1981 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (209)	336.87	−0.2	10.24	4.66	12.08	339.55	335.83	333.02	333.34	290.09	380.30 (28/8)	272.28 (15/1)	380.30 (28/8/81)	50.71 (13/12/74)
2	Building Materials (25)	289.89	+0.3	15.38	5.90	7.42	288.95	287.47	286.51	286.01	244.57	334.34 (1/5)	236.82 (13/1)	334.34 (1/5/81)	44.27 (11/12/74)
3	Contracting, Construction (28)	509.73	+0.1	18.69	5.41	6.25	509.07	505.65	506.88	506.49	425.29	610.27 (30/4)	403.39 (8/1)	610.27 (30/4/81)	71.48 (2/12/74)
4	Electricals (30)	1159.75	−0.8	7.87	2.47	15.87	1168.78	1152.12	1134.82	1133.45	946.07	1266.15 (28/8)	888.13 (15/1)	1266.15 (28/8/81)	84.71 (25/6/62)
5	Engineering Contractors (9)	480.19	−1.4	13.51	5.78	8.73	487.14	482.47	480.53	473.31	361.52	512.20 (30/4)	374.44 (20/1)	512.20 (30/4/81)	64.39 (2/1/75)
6	Mechanical Engineering (66)	188.82	−0.1	11.40	5.82	11.18	189.02	186.56	185.33	186.16	177.82	230.26 (24/4)	162.47 (15/1)	230.26 (24/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (12)	161.12	+1.7	8.96	7.54	15.21	158.47	156.70	156.91	158.11	148.59	182.17 (1/5)	127.24 (14/1)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (21)	88.92	+1.3	—	7.63	—	87.75	86.33	85.31	86.92	96.49	112.76 (1/5)	82.73 (6/11)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (18)	352.04	—	9.33	6.42	13.04	352.11	350.66	349.07	350.47	0.00	405.13 (14/8)	277.55 (15/1)	405.13 (14/8/81)	277.55 (15/1/81)
21	CONSUMER GROUP (198)	272.31	+0.3	12.99	5.99	9.50	271.58	268.15	266.41	268.79	245.68	296.18 (17/8)	227.50 (14/1)	296.18 (17/8/81)	61.41 (13/12/74)
22	Brewers and Distillers (20)	273.73	−0.1	16.42	7.08	7.33	273.88	270.62	272.04	275.10	283.05	325.16 (16/6)	244.42 (13/1)	325.16 (16/6/81)	69.47 (13/12/74)
25	Food Manufacturing (21)	272.30	−0.1	14.81	6.23	8.18	272.69	270.00	267.42	269.58	215.14	277.87 (3/9)	204.17 (14/1)	277.87 (3/9/81)	59.67 (11/12/74)
26	Food Retailing (15)	556.51	−0.8	9.26	3.42	13.10	561.20	555.09	551.45	553.83	427.79	572.90 (3/9)	440.89 (11/3)	572.90 (3/9/81)	54.25 (11/12/74)
27	Health and Household Products (7)	359.59	+0.4	8.24	4.26	14.40	358.03	353.67	348.25	351.22	235.86	363.73 (3/9)	245.38 (14/1)	363.73 (3/9/81)	175.38 (28/5/80)
29	Leisure (24)	422.02	+0.2	9.65	5.22	12.85	421.17	415.02	413.53	413.38	351.91	476.41 (14/8)	327.38 (16/1)	476.41 (14/8/81)	54.83 (9/1/75)
32	Newspapers, Publishing (12)	463.93	+0.9	13.29	6.50	10.91	459.83	457.09	456.23	451.85	439.31	526.15 (11/5)	414.73 (28/9)	526.15 (11/5/81)	55.08 (6/1/75)
33	Packaging and Paper (13)	130.33	+0.2	15.82	8.17	7.54	130.05	128.79	126.93	127.55	126.33	161.79 (1/5)	108.85 (14/1)	161.79 (1/5/81)	43.46 (6/1/75)
34	Stores (46)	244.39	+1.2	11.77	5.49	11.39	241.38	238.15	235.53	239.29	255.58	294.06 (30/4)	211.94 (26/10)	294.06 (30/4/81)	52.63 (6/1/75)
35	Textiles (23)	148.76	+0.4	8.91	6.18	15.34	148.11	144.64	144.60	143.82	129.60	172.84 (30/4)	122.37 (19/1)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	254.66	−0.4	22.35	10.22	5.16	255.64	251.39	251.49	255.03	210.18	271.22 (28/8)	193.57 (19/1)	339.16 (2/8/72)	94.34 (13/6/62)
39	Other Consumer (14)	259.61	+0.7	8.46	6.69	18.36	257.90	257.04	256.39	253.43	0.00	311.40 (1/5)	229.84 (28/9)	311.40 (1/5/81)	229.84 (28/9/81)
41	OTHER GROUPS (80)	222.25	−0.3	10.89	6.22	11.84	222.89	219.66	218.17	220.48	223.68	249.19 (30/4)	191.89 (28/9)	249.19 (30/4/81)	58.63 (6/1/75)
42	Chemicals (16)	293.66	−0.6	5.43	6.11	30.92	295.35	290.79	286.89	291.50	309.77	320.04 (30/4)	235.35 (13/3)	329.77 (4/5/79)	71.20 (1/12/74)
44	Office Equipment (4)	102.04	+0.8	17.92	8.63	6.67	101.23	101.45	100.71	100.97	106.00	129.79 (22/4)	92.79 (30/10)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (13)	503.26	−0.2	21.06	7.34	5.65	504.23	493.10	497.22	505.37	560.39	644.76 (24/4)	430.18 (28/9)	644.76 (24/4/81)	90.80 (29/6/62)
46	Miscellaneous (47)	282.20	−0.2	12.29	5.63	10.07	282.77	278.81	277.73	278.69	278.84	314.68 (3/9)	240.93 (28/9)	314.68 (3/9/81)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (487)	288.30	—	11.69	5.53	10.62	288.04	284.51	282.45	284.18	259.41	315.22 (17/8)	241.24 (15/1)	315.22 (17/8/81)	59.01 (13/12/74)
51	Oils (13)	719.74	−0.4	19.78	7.84	5.72	722.85	724.09	718.28	727.41	1040.64	923.71 (2/1)	588.96 (28/9)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	323.10	−0.1	13.12	5.94	9.22	323.30	320.15	317.78	320.11	321.08	353.39 (17/8)	276.00 (28/9)	353.39 (17/8/81)	63.49 (13/12/74)
61	FINANCIAL GROUP (119)	256.19	−0.1	—	5.94	—	256.40	253.90	253.33	255.52	249.41	279.45 (1/9)	223.02 (28/9)	279.45 (1/9/81)	55.88 (13/12/74)
62	Banks (6)	270.02	−0.8	33.07	6.97	3.56	272.26	269.91	270.98	273.52	253.33	287.38 (17/7)	220.84 (11/3)	288.32 (20/7/72)	62.44 (12/12/74)
63	Discount Houses (10)	248.94	+1.0	—	9.01	—	246.45	245.76	242.17	241.19	307.86	314.03 (20/3)	227.70 (29/9)	314.03 (20/3/81)	81.40 (10/12/74)
64	Hire Purchase (3)	223.28	−0.7	13.93	8.28	9.94	224.76	225.37	226.86	221.47	223.55	274.53 (25/3)	186.09 (28/9)	433.74 (4/5/72)	38.83 (11/12/74)
65	Insurance (Life) (9)	256.84	+0.2	—	6.23	—	256.24	257.16	255.93	256.91	260.59	298.44 (1/9)	222.74 (7/1)	298.44 (1/9/81)	44.88 (2/1/75)
66	Insurance (Composite) (10)	164.93	−1.2	—	8.12	—	166.90	166.45	165.16	168.38	162.87	188.09 (1/9)	142.06 (19/1)	188.09 (1/9/81)	43.96 (13/12/74)
67	Insurance Brokers (8)	428.35	+0.9	10.78	5.63	12.61	424.53	425.88	422.98	421.79	337.78	443.91 (11/9)	294.21 (20/1)	443.91 (11/9/81)	65.86 (16/12/74)
68	Merchant Banks (13)	156.62	—	—	5.17	—	156.59	149.30	149.34	148.13	163.95	179.36 (2/7)	127.53 (28/9)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (50)	461.49	+1.1	4.32	3.11	31.26	456.42	447.59	447.04	450.70	460.98	517.77 (2/4)	377.11 (28/9)	517.77 (2/4/81)	56.01 (20/4/65)
70	Miscellaneous (10)	173.64	−0.1	18.50	6.32	6.57	173.85	173.07	172.37	173.52	169.93	186.99 (13/8)	145.06 (28/9)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (110)	288.86	—	—	5.57	—	288.76	285.52	286.88	284.98	291.75	332.90 (17/8)	257.70 (28/9)	332.90 (17/8/81)	71.63 (13/12/74)
81	Mining Finance (4)	239.22	—	14.40	5.92	8.36	239.22	238.28	241.32	246.87	252.37	296.26 (14/8)	200.76 (6/2)	296.26 (14/8/81)	66.31 (30/9/74)
91	Overseas Traders (17)	405.89	−1.3	13.01	7.86	9.39	410.27	402.42	404.63	406.16	441.01	488.51 (18/5)	369.85 (28/9)	488.51 (18/5/81)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	308.28	−0.1	—	5.95	—	308.52	305.48	303.96	306.11	306.55	338.64 (17/8)	265.85 (28/9)	338.64 (17/8/81)	61.92 (13/12/74)

FIXED INTEREST

	PRICE INDICES	Fri. Nov. 13	Day's change %	Thurs. Nov. 12	xd adj. today	xd adj. 1981 to date
	British Government					
1	5 years	106.12	+0.19	105.92	—	9.74
2	5-15 years	102.48	+0.70	101.77	—	11.14
3	Over 15 years	103.34	+1.04	102.29	—	12.60
4	Irredeemables	110.39	+1.80	109.29	—	[illegible]
5	All stocks	[illegible]	+0.64	[illegible]	—	[illegible]
6	Debentures & Loans	71.00	+0.39	70.69	—	9.91
7	Preference	59.59	+0.13	59.51	—	[illegible]

	AVERAGE GROSS REDEMPTION YIELDS		Fri. Nov. 13	Thurs. Nov. 12	Year ago (approx.)	1981 Highs	1981 Lows
	British Government						
1	Low	5 years	13.22	13.29	11.54	14.17 (26/10)	11.20 (20/3)
2	Coupons	15 years	13.65	13.80	11.49	14.49 (26/10)	11.86 (20/3)
3		25 years	13.67	13.81	11.49	14.53 (26/10)	11.88 (6/1)
4	Medium	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	Coupons	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	High	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	Coupons	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11	Debs & Loans	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
14	Preference		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Miscellaneous Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	128.20	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 26½p.
CONSTITUENT CHANGE: Amalgamated Metal Corporation (Metals and Metal Forming) has been deleted and replaced by Cable and Wireless (Miscellaneous).
NAME CHANGE: City of London Brewery and Investment Trust has changed its name to City of London Trust (Investment Trusts).

FT UNIT TRUST INFORMATION SERVICE

L & C Unit Trust Management Ltd.,
The Stock Exchange, London EC2N 1HA 588 2800

L&C Inc. Fund	162.3	167.4	+8.2	8.96
L&C Intl & Gen Fd.	135.6	139.8	+2.3	1.58

Legal & General (Unit Tst., Mngrs.) Ltd.
5 Rayleigh Rd., Brentwood 0277 217238

Equity Dis.	93.2	100.8	+0.2	4.46
Equity Acc.	130.7	141.3	+0.3	4.46
Gilt	106.8	112.4xd	+1.6	8.53

Leonine Administration Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114.

Leo Distribution	129.0	136.8	....	0.42
Leo Accum.	153.2	162.5	....	0.42

Lloyds Bk. Unit Tst. Mngrs. Ltd. (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288

Balanced	72.2	77.6xd	+0.1	4.86
Do. (Accum.)	113.3	121.8	+0.3	4.86
Energy Int.	45.8	49.2	-0.4	1.94
Do. (Accum.)	46.5	50.0	-0.4	1.94
Extra Income	58.8	63.2xd	-2.1	9.61
Do. (Accum.)	83.7	90.0	+0.3	9.61
Income	93.1	100.1xd	+0.3	7.34
Do. (Accum.)	153.6	164.9	+0.4	7.34
Int. Technology	80.0	86.0xd	-0.6	0.58
Do. (Accum.)	81.5	87.6	-0.6	0.58
N. American & Gen.	51.9	55.8	-0.5	1.21
Do. (Accum.)	53.0	56.9	-0.5	1.21
Pacific Basin	—	50.0	1.00	1.00
Do. (Accum)	—	50.0	....	1.00
Small Cos. & Recy.	55.7	59.8xd	....	2.91
Do. (Accum.)	58.4	62.7	....	2.91
Worldwide Gwth.	87.1	93.6	+0.1	2.17
Do. (Accum.)	116.2	124.9	+0.1	2.17
Exempt Nov 3	104.9	110.4	....	8.26

‡Unauthorised. For tax exempt funds only.

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114

Equity Accum. (2)	261.8	275.5	....	4.27

Local Authorities' Mutual Invest. Tst.*
77, London Wall, EC2N 1DB. 01-588 1815

Property Fd. Oct. 31	154.35	....	6.80
Wider Fund Oct. 31	263.35	....	5.27
Narrower Fd. Oct. 31	69.35	....	14.72

*Unauthorised. Available only to Local Authorities.

M & G Group (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

American	71.5	76.9	-1.6	7.29
(Accum. Units)	77.4	83.2	-1.7	2.29
American Recovery	77.5	82.9xd	-0.8	1.45
(Accum. Units)	80.7	86.4	-0.8	1.45
Australasian	81.8	87.5	-0.8	1.83
(Accum. Units)	86.0	92.0	-0.8	1.83
Commodity	125.1	133.9	+0.5	3.35
(Accum. Units)	148.6	159.0	+0.5	3.35
Compound Growth	175.6	191.4	+0.7	3.55
Conversion Growth	119.6	128.0	+0.3	2.68
Conversion Income	75.0	80.3	+0.8	9.01
Dividend	130.6	139.7	+1.8	9.65
(Accum. Units)	298.8	319.7	+4.3	9.65
European	60.8	65.1	....	3.71
(Accum. Units)	67.8	72.5	+0.1	3.71
Extra Yield	80.7	87.6	+0.8	9.97
(Accum. Units)	136.0	147.6	+1.3	9.97
Far Eastern	115.5	123.6	+0.7	1.46
(Accum. Units)	133.0	142.3	+0.9	1.46
Fund of Inv. Tsts.	89.4	97.4xd	+0.9	5.04
(Accum. Units)	123.9	135.0	+1.3	5.04
General	230.0	247.3	+1.2	6.13
(Accum. Units)	406.2	436.2	+2.2	6.13
Gilt Income	43.6	45.2xd	+0.4	12.73
(Accum. Units)	47.3	49.7	+0.4	12.73
High Income	110.4	118.1	+1.5	9.28
(Accum. Units)	227.7	243.6	+3.1	9.28
Japan	184.2	197.1xd	-0.2	0.80
(Accum. Units)	194.4	208.0	-0.2	0.80
Magnum	325.7	348.5	+0.8	5.23
(Accum. Units)	458.6	490.7	+1.2	5.23

Royal Tst. Can. Fd. Mgrs. Ltd.
48-50, Cannon St., London EC4M 6LD 01-236 6044

Capital Fund	94.4	101.5xd	+6.6	4.08
Income Fund	66.4	71.3	+5.5	10.51

Prices on Nov. 13. Next dealing day Nov. 30.

For Saturn Fund Mngt. see SIMCO

Save & Prosper Group
4, Great St. Helens, London EC3P 3EP
68-73 Queen St., Edinburgh EH2 4NX
Dealings to: 01-554 8899 or 031-226 7351

International Funds				
Capital	47.6	51.1	-0.2	2.67
I.T.U.	34.2	36.7xd	....	4.33
Select International	357.6	384.5xd	+0.6	1.71
Univ. Growth	90.1	96.8xd	..	0.73
Increasing Income Funds				
High-Yield	53.8	57.8xd	+0.1	8.60
Select Income	57.1	61.3xd	.	6.91
High Income Funds				
Gilt & Fxd. Int. Inc.	44.9	47.3	+0.1	13.20
High Return	62.5	67.2	..	8.83
Income	40.6	43.6	.	10.62
U.K. Funds				
Gilt & Fxd. Int. Grth.	50.1	50.7	+0.1	5.10
UK Equity	60.0	64.5	+0.1	4.29
Overseas Funds (z)				
Europe	81.6	87.7	.	1.39
Japan	124.8	134.1	+0.3	0.10
S.E. Asia	83.9	90.2	+1.3	0.69
U.S.	120.5	129.5	-1.2	0.72
Sector Funds				
Commodity	132.3	142.2	-0.4	3.24
Energy	140.0	150.5	-1.2	1.28
Exploration Fund (z)	39.6	42.5	-0.5	0.24
Financial Secs.	105.7	113.6	+0.5	2.42
New Technology (z)	46.9	50.4	-0.2	0.25
Fixed-Interest Fund (z)				
Intl. Bond Fd.	59.4	63.6	-0.2	2.29
Exempt Funds				
Exempt Income*	192.7	203.4		7.43
Exempt Intl.*	357.0	376.6xd		0.66

Prices at Nov. 11. Next sub. day Nov. 25.

Scotbits Securities Ltd.

Scotbits	49.7	53.4		4.25
Scotyield	50.4	54.1	+0.2	7.96
Scotshares	83.0	89.2	+0.1	4.31

Schroder Unit Trust Managers Ltd.
48, St. Martins Lane, WC2. Dealings 0705 27733

Capital	176.5	189.7xd	+0.9	2.30
(Accum. Units)	231.6	249.0	+1.3	2.30
Income Fnd	230.8	248.1	+1.0	7.81
(Accum. Units)	407.4	438.0	+1.7	7.81
Gen.	135.5	145.6	-0.3	3.90
(Accum. Units)	186.7	200.7	-0.3	3.90
Europe	28.6	22.9xd	-1.6	2.93
(Accum. Units)	27.7	29.7	.	2.93
Smaller Co.'s	149.6	160.8	-0.3	2.95
American	55.2	59.5xd	-0.9	0.44
(Accum. Units)	55.2	59.3	-0.9	0.44
Tokyo	57.1	61.3	+0.2	0.18
(Accum. Units)	57.1	61.3	+1.1	0.18
Gilt & Fixed	43.7	46.0	+0.3	12.63
(Accum. Units)	45.9	48.3	+0.2	12.63
Australian	49.9	54.2	-0.2	3.80
(Accum. Units)	50.2	54.5	-0.2	3.80
Singapore & Malay	47.8	51.3	+0.3	1.22
(Accum. Units)	47.8	51.3	+0.3	1.22
*Ph.&C. Fd. Oct. 20	230.2	247.5	...	5.48
*Recovery Nov 10	294.3	316.4	...	4.14
*Spec. Ex. Nov. 10	458.3	492.7	...	2.10
Euro. Except. Nov. 5	112.9	121.3	...	2.58

*For tax exempt funds only.

Scottish Amicable Inv. Mngrs. Ltd.
150 St. Vincent St., Glasgow 041-221 8844

Equity Trust Accum.	102.3	110.4	+0.2	5.69

INSURANCE PROPERTY BONDS

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1981 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
98	95	Treas. 8¼pc '80-82‡‡	98	+⅛	9.44	14.37
97	91⅞	Treasury 3pc '82‡‡	97	+⅞	3.08	14.13
107	99⅛	Treasury 14pc '82‡‡	99⅞	.....	14.01	14.26
99	98	Treas. Variable '82‡‡	99½xd	.....	13.89	15.29
96½	93	Treasury 8¾pc '82	96½	+¼	8.54	14.09
96	93	Exch. 9¾pc 1982	95⅞	.....	9.64	14.48
95¼	92⅝	Exch. 8¾pc 1983	95⅛	.....	9.19	13.41
92¼	84⅞	Exch. 3pc 1983	89⅞	.....	3.34	11.79
99⅝	95	Treasury 12pc 1983‡‡	97¼	.....	12.33	14.30
99⅝	96¼	Treas. Variable '83‡‡	99½xd	.....	13.41	15.74
93¼	90⅝	Treasury 9½pc '83	93¼	.....	9.91	13.86
101	95¼	Exch. 13½pc '83	98½xd	.....	13.76	14.62
94¼	89¼	Exch. 10pc 1983	92¼xd	.....	10.82	14.42
88⅝	83½	Funding 5½pc '82-84‡‡	85¾	+¼	6.41	13.24
96⅝	90	Exch. 11¼pc 1984	95¼	.....	12.07	14.79
103	95¼	Exchequer 14pc 1984	99½xd	.....	14.12	14.46
82½	77	Exch. 3pc 1984	78¾xd	+¼	3.75	12.87
98⅝	90½	Treasury 12pc 1984	94¼	.....	12.75	14.49
107¾	95⅞	Treasury 15pc 1985	99⅝	+¼	15.05	15.08
98⅞	88¼	Exch. 12pc Cnv. '85	91⅞	+¼	13.06	15.17
76	71	Treasury 3pc 1985	72⅝xd	+⅞	4.13	13.06
96	85¼	Treasury 11½pc 1985	88⅞	+⅛	12.93	15.56
98⅞	87⅝	Exch. 12¼pc 1985	91⅞xd	+¼	13.33	15.02
97⅛	84¾	Exch. 11¾pc '86	88⅞	+⅛	15.22	15.34
70	65¼	Treasury 3pc 1986	68⅝xd	+¼	4.37	12.28
97	84½	Treasury 12pc '86	89⅝xd	+⅛	13.35	15.18
[illegible]						

Five to Fifteen Years

Over Fifteen Years

Undated

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

1981 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
97½	92¼	Aust. 5½pc '81-82	97⅞	+⅛	5.66	14.17
87½	82½	Do. 6pc 1981-83	84½xd	.....	7.08	14.82
67¾	57¼	N.Z. 7¼pc 1988-92	59¼	.....	12.89	15.78
81¾	74	Do. 7½pc '83-86	77¼	.....	10.10	15.53
141	115	S. Rhod. 2½pc Non-Ass.	122	.....	—	—
61	43	Do. 3½pc 83-85 Assd.	53	.....	6.67	22.00
43	26	Do. 4½pc 87-92 Assd	33	.....	14.21	20.60
395	322	Zimbabwe Ann (£100pd)	322	.....	—	25.69

LOANS

Public Board and Ind.

1981 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
64	57¼	Agric. Mt. 5pc '59-89	60	.....	8.58	14.09
29½	23¼	Met. Wtr. 3pc 'B'	26	.....	11.80	14.15
114	97	U.S.M.C. 9pc 1982	100	.....	9.39	—
97¾	91	Do. without Warnts.	95	.....	9.90	—

Financial

1981 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
101½	94¼	FFI 14pc '83	97	+¼	14.44	15.68
93½	88½	FFI(UK Fn)5½pcDb. '80-2	93	.....	5.97	16.00
85½	77	Do. 6¼pcDb. '81-84	79½xd	.....	7.86	14.97
92	84½	Do. 10¾pc Uns.Ln. '86	87½	+½	12.55	16.80
92	80	Do. 11pc Uns.Ln. '88	84	.....	13.75	15.48
92	80	Do. 11¾pc Uns.Ln. '90	83½	.....	14.85	16.59
94½	78½	Do. 12¾pc Un. Ln. 1992	83	.....	15.42	16.35
64½	54½	Do. 7¼pcADeb. '89-92	55xd	.....	13.04	15.89
62	51½	Do. 7¼pcADeb. '91-94	55	+1	13.48	15.74
72½	59½	Do. 9pc 'A' '91-94	63½	+½	14.52	16.07
70	56½	Do. 8¾pcLn. '92-97	61	+½	15.10	16.25

Building Societies

1981 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
100⅛	98¼	N'wide 14¾pcBd11.8.82	99½	.....	14.82	—
100	98	Do. 14¾pc Bds 25.8.82	99½	.....	14.82	—
99¾	98¼	Do 15¾pc Bds. 29.9.82	99¾	.....	15.41	—

FOREIGN BONDS & RAILS

1981 High	Low	Stock	Price £	+ or –	Div. % Gross	Red. Yield
95	58	Antofagasta Rly	70	–2	—	—
55	53½	Do. 5pc Pref.	54	.....	—	—
98	98	Chilean Mixed	98	.....	3	13.2
28	14	Chinese 4½pc 1898	18	.....	—	—
22	11	Do. 5pc 1912	13	.....	—	—
18	8	Do. 5pc 1913	14	.....	—	—
16	9	Do. 5pc '25 Boxer	12	.....	—	—
94	76½	Denmark 13pc 2005	81½	.....	13	17.06
[illegible]						

AMERICANS

CANADIANS

1981 High	Low	Stock	Price	+ or –	Div. Gross	Cvr	Yld Gr's
[illegible]							
14⅛	970p	Can.Imp.Bk. $2	13⅞	–¼	$2.00	—	6.6
24½	13¾	Can.Pacific $5	17¾	–¼	$1.90	—	4.9
31¾	26¾	Do. 4pc Deb. £100	27	.....	4%	—	14.8
10¾	784p	Can. P. Ent.‖	829p	+11	$1.12	—	6.0
13⅞	810p	Gulf Can.‖	939p	–6	44c	—	2.0
962p	434p	Hawker Sid. Can.‖	582p	–41	96c	—	7.3
20½	12⅞	Hollinger $5	13	–¼	s$2.20	—	7.5
16¼	812p	Hudson's Bay ‖	999p	+42	$1.20	—	5.3
22	795p	Hud.B.Oil G. $2½	21½	–½	432c	—	0.6
16⅞	11½	Imperial Oil‖	12	.....	$1.40	—	5.2
11⅛	699p	Inco‖	714p	–9	SUS20c	—	1.6
750p	450p	Int. Nat. Gas $1	625p	–15	$1.10	—	7.8
210p	103p	Massey Ferg.‖	103p	.....	—	—	—

CANADIANS—Continued

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

BUILDING INDUSTRY—Contd.

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INSURANCE

INSURANCE—Continued

LEISURE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

OIL AND GAS

OIL AND GAS—Continued

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

Indian and Bangladesh

Sri Lanka

Africa

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

Central African

MINES—Continued

Australian

1981 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's

Tins

Copper

Miscellaneous

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♦ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ∥ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. ‡‡ Available only to UK pension schemes and insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1982. K Figures based on prospectus or other official estimates for 1981-82. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

			IRISH		
Albany Inv. 20p	40	......	Conv. 9% '80/82	£98	......
Bertrams	18	......	Nat. 9¾% 84/89	£70½	+½
Bdg'wtr. Est. 50p	405	......	Fin. 13% 97/02	£75¼	+5
Craig & Rose £1	£13	......	Alliance Gas	79½	+3½
Finlay Pkg. 5p	23	......	Arnott	222	......
Graig Ship. £1	£21xd	......	Carroll (P.J.)	80	......
Higsons Brew	64	......	Concrete Prods.	90	......
Holt (Jos) 25p	510	......	Helton (Hldgs.)	23	–½
I.O.M. Stm. £1	150	......	Irish Ropes	38	......
Pearce (C. H.)	830	+30	Jacob	63	......
Peel Hldgs.	120	......	T.M.G.	21½	......
Sheff. Refrsmt	98	......	Unidare	56	......
Sindall (Wm.)	190	......			

OPTIONS

3-month Call Rates

Industrials		House of Fraser	13	Utd Drapery	6½
A. Brew	6½	I.C.I.	35	Vickers	15
BOC Intl.	11	"Imps"	5	Woolworths	4½
B.S.R.	7½	I.C.L.	5		
Babcock	9	Ladbroke	13	**Property**	
Barclays Bank	36	Legal & Gen.	20	Brit. Land	7
Beecham	17	Lex Service	9	Cap. Counties	10
Blue Circle	38	Lloyds Bank	20	Land Secs.	30
Boots	18	"Lots"	3½	MEPC	20
Bowaters	19	London Brick	6½	Peachey	15
Brit. Aerospace	17	Lucas Inds.	28	Samuel Props.	13
B.A.T.	28	"Mams"	11	Town & City	2¼
Brown (J.)	8	Mrks. & Spncr	10		
Burton Ord.	12	Midland Bank	25	**Oils**	
Cadburys	8	N.E.I.	7	Brit. Petroleum	28
Courtaulds	5½	Nat. West. Bank	30	Burmah Oil	11
Debenhams	7	P & O Dfd.	9	Charterhall	6
Distillers	16	Plessey	26	KCA	12
Dunlop	6½	Racal Elect.	34	Premier	7
Eagle Star	25	R.H.M.	5	Shell	28
F.N.F.C.	4	Rank Org. Ord.	14	Tricentrol	25
Gen. Accident	30	Reed Intnl.	23	Ultramar	40
Gen. Electric	58	Sears	5		
Glaxo	32	Tesco	5	**Mines**	
Grand Met.	15	Thorn EMI	35	Charter Cons.	21
G.U.S. 'A'	36	Trust Houses	11	Cons. Gold	40
Guardian	39	Tube Invest.	12	Lonrho	7
G.K.N.	12	Turner & Newall.	7½	Rio T. Zinc	45
Hawker Sidd	25	Unilever	50		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

FINANCIAL TIMES

Saturday November 14 1981

MAN IN THE NEWS

Driving on the Left

BY CHRISTIAN TYLER

THE FORMER long-distance lorry driver who this year found himself in the driving seat not only of Britain's biggest trade union but also of the Labour Party has had a difficulty week.

Mr Alex Kitson, a tough and engaging left-winger from Scotland, has been in hot water with his oil tanker driver members for saying that he sees them as shock troops who could force the Prime Minister into a U-turn or even bring the Government down by a long strike.

Mr Kitson is no stranger to controversy. On this occasion he got into trouble for saying too much. Last time, he was criticised for saying too little: it was at the height of the BL crisis, when he used his considerable powers of "no comment" in refusing to reveal whether he thought the strike should continue or be called off.

And of course he has never been allowed to forget the time he said too much in Moscow, back in 1977. Attending the

Alex Kitson

"A tough and engaging Scot"

60th anniversary of the Revolution, he shocked the British Press by saying it was pleasant to be in a country where there was no unemployment and workers' living standards rose *consistently.*

As a committed Left-winger Mr Kitson is of course more than usually vulnerable to charges that he is playing some deep personal game.

But paradoxically he is no friend of the Bennite Left. He was the first to declare quite unambiguously that Mr Benn should not stand for the deputy leadership, and he tried hard to persuade the TGWU executive to endorse Mr John Silkin instead.

And in the latest struggle between Mr Benn and Mr Foot, he is in no doubt where *his* loyalties lie. "I still feel that Michael Foot is the only man that can hold the party together at this stage," he said yesterday. "I am always portrayed as hard Left, but I still feel that Tony's attitude is wrong. Michael Foot is entitled to a great deal more support than he is getting.

There is another seeming paradox in Mr Kitson's ideology. He is against closed shop agreements. He startled and dismayed some of his TGWU colleagues by expressing this view.

Mr Kitson has never liked unions and managements signing agreements that make union membership a condition of employment. Forced recruitment is no good for any union, he says. What he does believe is that workers in any establishment should be able to secure 100 per cent union membership if they want it.

Mr Kitson has had a remarkable rise to national prominence in recent years. He came into the TGWU as a senior official when the union of which he was general secretary, the Scottish Horse and Commercial Motormen's Union, merged with the TGWU in 1971. Left-wing support on the TGWU's executive raised him to the number two job in the union. When Mr Moss Evans, the general secretary, was taken seriously ill last winter, Mr Kitson took over. He was already the 1980-81 chairman of the Labour Party, having reached his seniority on the party's national executive committee.

Mr Evans is now recovered, and this week again took up the reins of power at Transport House. The Labour Party chairmanship has passed on to Dame Judith Hart. Although Mr Kitson says he enjoyed the challenge of both jobs, there can be little doubt that he will be thankful for a spell out of the limelight. But if the tanker drivers do go on strike, it will be Mr Kitson's job to handle it.

Exco share applications total nearly £1.3bn

BY IAN RODGER

APPLICATIONS worth nearly £1.3bn were received for £20m worth of shares offered in money broker Exco International this week.

The offer was oversubscribed 62.5 times. As a result, allotments have been scaled down severely.

Applicants for between 200 and 600 shares will participate in a weighted ballot for 200 shares. Those for 800 to 2,000 shares will be in a ballot for 400 shares and those for 2,500 to 55,000 shares will be in a ballot for 800 shares. Applicants for 56,000 shares and above will receive about 1.4 per cent of their application.

N. M. Rothschild and Sons, which made the offer on behalf of Exco, said those who had applied for 2,500 to 55,000 shares would fare best.

Rothschilds said cheques for £56,000 and over, amounting to about £600m, have been presented to the bank. The remainder will be presented as ballots are completed.

Letters of acceptance or rejection, the latter accompanied with returned cheques, will be posted on November 17. Dealings will start on November 18.

Mr Bill Matthews, an Exco director, said yesterday: "We think we have been overwhelmed by hysteria."

He thought Exco's profits, as revealed in the prospectus, were higher than had been expected. This may have stimulated increased interest not only in Exco but in the shares of other money brokers which have risen significantly in the past two weeks.

Siemens plans to reduce workforce by 24,000

BY KEVIN DONE IN FRANKFURT

SIEMENS of West Germany, the world's fifth largest electrical and electronics group, plans to cut its workforce world wide by up to 24,000 by the end of 1982. The cuts are part of a series of measures aimed at improving its sagging profitability.

The redundancies are expected to be concentrated in the group's data-processing and electronic components divisions, both of which have been operating at a loss.

Its supervisory board approved a reduction of 5 per cent to 7 per cent in the 338,000 workforce. The company said yesterday that although many jobs could be cut through normal fluctuation of the workforce, which averages about 5 per cent a year, some redundancies would be necessary also. The Siemens workforce has been reduced from 344,000 already over the past 12 months.

The company said yesterday more jobs had to be cut because several plants around the world were working at unsatisfactory capacity levels. Short-time working was not sufficient and needed to be supplemented by further redundancies.

Last month the group said it was closing electronics components plants in the U.S. and Mauritius. It is undertaking a wide-ranging assessment of its operations. The aim is to raise profitability and to weed out products which will not be profitable in the long term or which can be bought more cheaply elsewhere.

The setbacks in the data-processing and components divivisions have led to changes on Siemens's main board. Dr *Friedrich Baur, components* division head, has left the company. Dr Anton Peisl has been replaced by Dr Claus Kessler as head of data-processing although he remains on the board.

Siemens is West Germany's largest private industrial employer. It has a domestic workforce of 230,000 and 108,000 abroad.

The company said this week it was holding its dividend for the financial year to the end of September at the previous year's level of DM 8 per share. It did not seek to disguise its concern about falling profits.

Its ratio of after-tax profits to turnover fell to only 1.5 per cent in the nine months to the end of June, compared with 2 per cent in 1979-80 and 2.5 per cent in 1978-79.

Profit figures for the full year have not been announced. In the first nine months, after-tax profits fell by 21 per cent to DM 348m on a turnover of DM 24bn.

Siemens shares were trading this week at about DM 206, close to their lowest point of the year of DM 203, compared with a high of DM 269.

Hedderwick drops action against De Souza

By John Moore

HEDDERWICK Stirling Grumbar, the failed stockbroker, has discontinued legal proceedings against Mr Agnello de Souza, Hedderick's former gilt-settlement manager. The move follows an out-of-court settlement in which the defendants to the action have agreed to pay about £400,000 to Hedderwick.

Hedderwick was hammered on the Stock Exchange in mid-April when its banker, National Westminster, *refused to handle* cheques to cover its gilt-dealing for the day. Its net deficit is estimated to be about £1m.

Mr Martin Fidler, the Stock Exchange's official assignee, was appointed official liquidator. After his appointment he issued a writ in Hedderwick's name for £1.9m against Mr de Souza. Action was also taken against Mrs E. Christophersen, who is Mr de Souza's sister-in-law, and Mr F. Gomez.

Hedderwick was claiming damages from Mr de Souza for breach of duty and/or trust and/or negligence as manager of Hedderwick's gilt-edged securities settlement department.

Yesterday Linklaters and Paine, lawyers for Hedderwick, said proceedings against Mr de Souza and the other defendants had been discontinued "on terms which call for substantial payment by the defendants to Hedderwick Stirling and Grumbar." No sum was disclosed but it is understood to be about £400,000.

Lawyers for Mr de Souza confirmed yesterday that the "injunction has been discharged and the proceedings discontinued." They added: "There has been a settlement as a result of which all actions have been settled."

On another aspect of the tangled affairs of Hedderwick, Mr Fidler said yesterday he *had received a letter of acknowledgement* from Quilter Goodison, the stockbroking firm which has gained 80 per cent of Hedderwick's private-client business, to a letter he sent in September.

In that correspondence Mr Fidler had outlined three possible bases from which a price might be agreed for Quilter's gaining the Hedderwick private-client business.

Petrol tanker strike threat lifted

BY PHILIP BASSETT, LABOUR STAFF

THE THREAT of a national petrol tanker drivers' strike from Monday seemed to be finally lifted last night when BP drivers and distribution workers, in a controversial re-run vote, confirmed their acceptance of the company's 8.1 per cent pay offer by a 2-1 majority.

The line of deferring the strike which has been emerging from various shop stewards' meetings at the other major companies casts considerable doubt on whether any action will be taken.

BP has about 20 per cent of the market and with Mobil, which settled earlier this year for 11 per cent, could maintain *oil supplies if a strike were* called.

The BP drivers' decision to accept the offer by 1,091 votes to 538, reached through secret ballots, was in defiance of their stewards' recommendation to reject it. It is bound to influence the depot meetings being held in other companies.

It will also reinforce the other companies' determination not to increase their offers beyond 8.1 per cent.

The BP drivers' decision will be a severe embarrassment to the TGWU. Following unofficial shop stewards' estimates that the first round of voting last week had been about 3—1 in favour of accepting the offer, the union ordered the vote to be re-taken because of procedural irregularities.

The union's decision aroused the suspicion of both companies and the Government that it was manipulating the voting, because polling had not provided the result it wanted. The union, however, denied this.

The charges were fostered by the political complexion given to the dispute by Mr Alex Kitson, TGWU deputy general secretary. He was reported as wanting to use the tanker drivers' dispute to bring down the Government. This seemed to be widely resented by the drivers.

The political implications of the dispute are reinforced by literature distributed at the stewards' meetings this week from the TGWU's 7/51 branch at the large Grangemouth terminal in Scotland.

This states that "it's this year or never" to stand firm for the rate for the job. It claims the Government's new proposals for trade union legislation, which are expected to be law by the time of next year's negotiations, would preclude executive support for action. This is because third parties, such as picketed filling stations, could sue the union for losses resulting from a strike.

The TGWU will now formally accept the BP offer, which will increase basic drivers' rates from £105 to £112.

U.S. industrial output falls 1.5%

BY IAN HARGREAVES IN NEW YORK

INDUSTRIAL production in the U.S. fell by 1.5 per cent last month — the latest sign of the speed at which the U.S. economy is falling into recession.

The October decline in industrial production was the sharpest monthly drop since June 1980, when production fell by 1.7 per cent in the wake of President Carter's credit controls. In September, production fell by 1.2 per cent and in August by 0.2 per cent.

The drop in industrial activity was led again by the motor industry, which assembled cars at an annual rate of 5.5m in *October, down from 6.2m in* September.

The problems for the motor industry are still getting worse and next week the leading U.S. motor groups will close down several plants, cutting overall production by 10 per cent from this week's levels and 34 per *cent below the same week a* year earlier.

Production of business equipment in October fell by 0.5 per cent, after declining 1 per cent in September. Consumer goods production was down by 0.9 per cent, the same decline as in September.

Output of materials, such as steel, was down even more sharply, by 2.3 per cent in October, following September's 1.5 per cent decline. This represents yet another indication that the slowdown in the economy is getting worse.

President Ronald Reagan was expected to stress again last night that he will not retreat from his current economic policies. The White House said that the President, who was due to speak in Houston, Texas, *would tell party supporters that* he does not intend to back away from his programme of budget cuts to reduce U.S. federal government deficits.

MR DONALD REGAN, U.S. Treasury Secretary, said $22bn in tax increases proposed by the President in September could be deferred if the recession is deeper than expected. A request for $3bn in tax increases for fiscal year 1982 had already been pushed back because of the worsening economic position, he said. Reuter

Continued from Page 1

Building societies

The short-term outlook is no more encouraging. The hoped-for rise in receipts since the societies new interest rates took effect on November 1 has not materialised. The societies face still more problems in the shape of the new 23rd issue of National Savings Certificates and an impending rise in National Savings Bank investment account rates.

Barclays said yesterday it advanced £650m to home buyers in the first year of its mortgage scheme. An increasing number of smaller loans—under £10,000—would be available in the next 12 months.

Last month the societies managed to advance £959m to homeb uyers, a marginal improvement over the September total. But the level of new mortgage commitments made fell to £911m, the lowest monthly total since January.

Continued from Page 1

Foot

He may, however, turn a poor showing in the shadow Cabinet elections to his advantage by using it as evidence of what he sees as the disdain of the parliamentary party for the views of the Labour movement outside Westminster.

It was because Mr Foot was so painfully aware of the damage Mr Benn could do to the party if he was not brought back into the fold that the Labour leader went to such great lengths to accommodate him by actively supporting him for both the shadow Cabinet and the key job of chairman of the party's home policy committee.

His policy of conciliantion infuriated MPs of the right and cetre of the party. His credibility as leader has suffered badly over the affair.

Continued from Page 1

Inflation

charges will show up. In addition, the 2 per cent increase in mortgage rates is expected to add almost 0.5 per cent to the index, with a further 0.2 per cent increase in December.

The annual rate of inflation of public sector prices is still running well ahead of the overall inflation rate as measured by the RPI. In October public-sector prices were 15 per cent higher than a year earlier.

But public-sector price inflation has been falling steadily since January when it was 27 per cent. In September, the rate had fallen to 18 per cent. The three-point fall in October was partly the result of the controversial fares reduction scheme by London Transport.

The Tax and Price Index, which measures the pre-tax income required to buy a given amount of goods, rose by 1 per cent in October to 158.2. This represents a 15.2 per cent annual rate of increase, up 2 percentage points from the annual rate in February but about the same as it was in May.

Weather

UK TODAY

PRESSURE will remain high to the south. Temperatures near or a little below normal.

London, S.E., E., S.W. England, Midlands, S. Wales

Dry sunny intervals. Wind light to moderate. Max 12C (54F).

N.W., N.E. England, Lake District, N. Wales, Scotland

Cloudy. A little rain or drizzle at first. Max 10C (50F).

Outlook: Mainly dry at first in the south. Occasional rain.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	F	16	61	L. Ang.†	C	16	61
Algiers	F	20	68	Luxmbg.	F	8	46
Amsdm.	R	9	48	Luxor	S	25	77
Athens	S	17	63	Madrid	S	15	59
Bahrain	S	28	82	Majorca	F	18	64
Barclna.	F	17	63	Malaga	C	21	70
Beirut	S	18	64	Malta	C	17	63
Belfast	C	8	46	M'chstr	C	8	46
Bolgrd.	C	8	46	Melbne.	F	17	63
Berlin	F	8	46	Mx. C †		—	—
Biarritz	C	13	55	Miami†	F	17	63
Bmghm.	F	9	48	Milan	F	7	45
Blackpl.	F	10	50	Monyl †	F	−2	28
Bordx.	C	11	52	Moscow	C	−1	30
Boulgn.	S	9	48	Munich	R	6	43
Bristol	C	9	48	Nairobi		—	—
Brussels	F	8	46	Naples	S	15	59
Budpst.	F	8	46	Nassau		—	—
Cairo	F	21	70	Nwcstl.	S	9	48
Cardiff	C	9	48	N York†	F	2	36
Cas'b'ca	F	24	75	Nice	F	16	61
Cape T.	C	21	70	Nicosia	S	16	61
Chicg.†	F	0	32	Oporto	S	20	68
Cologne	C	9	48	Oslo	C	4	39
Cpnhgn.	F	7	45	Paris	C	11	52
Corfu	S	18	64	Perth	F	23	73
Denver†	F	5	41	Prague	F	7	45
Dublin	F	8	46	Rykjvk.	Sn	−1	30
Dbrvnk.	F	14	57	Rhodes	S	13	55
Ednbgh.	F	9	48	Rio J'o†		—	—
Faro	S	25	77	Rome	S	14	57
Florence	S	10	50	Salzbrg.	C	4	39
Frankft.	C	9	48	S'cisco†	C	15	59
Funchal	C	22	72	S. Mritz.		—	—
Geneva	C	8	46	Singapr.		—	—
Gibrltr.	C	18	64	S'tiago†		—	—
Gl'sg'w	F	9	48	Stckhm.	S	4	39
G'rnsey	C	9	48	Strasbg.	S	10	50
Helsinki	Sn	0	32	Sydney		—	—
H. Kong	F	23	73	Tangier	F	22	72
Innsbrk.	C	5	41	Tel Aviv		—	—
Invrnss.	C	6	43	Tenerife		—	—
I.o.Man	F	9	48	Tokyo	S	15	59
Istanbul	C	10	50	T'r'nto†	F	−5	23
Jersey	C	10	50	Tunis		—	—
Jo'burg	F	27	81	Valencia	F	19	66
L. Plms.	F	26	79	Venice	S	10	50
Lisbon	F	20	68	Vienna	C	9	48
Locarno	F	11	52	Warsaw	C	5	41
London	F	11	52	Zurich	C	6	43

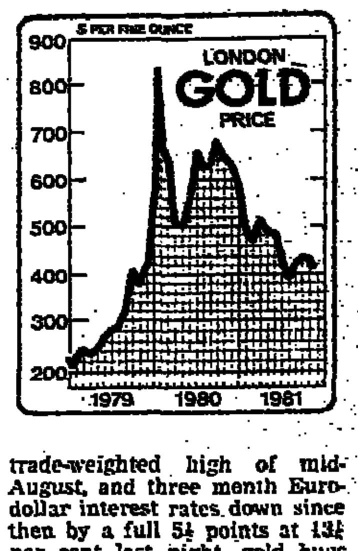
C—Cloudy. F—Fair. R—Rain. S—Sunny. Sn—Snow.

† Noon GMT temperatures.

THE LEX COLUMN

Equities ride the roller coaster

Index rose 1.0 to 519.2



The dominant feature of the UK equity market at present is its instability. In the last three weeks, the FT 30-Share Index has jumped by well over 50 points: in the fortnight before that, it fell by nearly 40. A few weeks ago, investors were obsessed with the bearish views of the chartists. Now that is all forgotten, and with interest rates falling rapidly the fundamental analysts—who are bullish almost to a man—have grabbed the centre of the stage.

They can point to the fact that the long awaited recovery in profits has now clearly become visible in a string of company results. Some of the main share price gains this *week have come from companies* producing profits statements. The latest industrial production figures tell a similar story.

But the picture is very patchy. The outlook in the retail sector, for instance, is uninspiring. And in the end, what is really pushing this market up and down is the trend in interest rates, and this is where the UK stock market is very much dancing to the tune of the U.S. monetary authorities.

Given that American interest rates are having such a strong influence, the curious point is that equities on Wall Street are not behaving with anything like the same zest as they are in London. The same is true in other important markets overseas. The reason is that equity investors elsewhere are very much influenced by the evidence of economic recession, which is largely cancelling out the appeal of lower interest rates. In the UK, however, the bulls are arguing that because Britain lurched into recession long before other countries it is also going to be the first to emerge from the trough.

But it is an uncomfortable *time in the equity market.* Investors are reluctant to take long term positions, and are devoting much of their time to short term gambles of the Exco/dawn raid variety. The one sure thing is that if the market holds at this level, a stream of rights issues will follow on the lines of the opportunist cash call by Northern Foods earlier this week.

Gold bullion

After a year of being hit by high interest rates, recessionary gloom in the U.S. is now taking over as the main factor which is taking the shine out of the gold market. With the dollar now nearly 8 per cent below its trade-weighted high of mid-August, and three month Euro-dollar interest rates down since then by a full 5¼ points at 13¼ per cent last night, gold bugs must be feeling distinctly uneasy.

Selling by disillusioned speculators has held the price down to within roughly $20 of this summer's low point of around $390 an ounce. And some dealers believe that the price could shift down below the $400 level over the next few weeks unless private buying—dormant in all the main centres—unexpectedly picks up.

Increased off loading from the Soviet Union during the past three or four months has clearly undermined market sentiment. In normal times, the market could absorb Moscow's probable 1981 sales of 150 to 200 tonnes without too much trouble. After all, the Russians sold more than 200 tonnes in 1979—when the price more than doubled.

The trouble for the gold fans is that this year is not normal. *Jewellery fabrication demand* has held up reasonably well, but heavy losses sustained by those who jumped on the bullion band-wagon after last year's price peak are putting a severe dampener on the dealers' traditional private clientele.

With the prospect of a tight money recession continuing in the U.S. for several months to come, investors have simply lost the belief that prices will rise enough to justify tying up money in an asset which produces no income.

Recent tension over Poland and the Middle East has had remarkably little impact on the price. And future news developments could do more to depress the market. Unless South Africa starts to curb its current accou[nt] balance of payments deficit, t[he] world's main producer may [be] faced with the need to s[ell] gold from reserves.

The best hope might be [from] the central banks from O[PEC] and Eastern European countri[es] which have been playing [an] important role in the mar[ket] during the past two years, w[ho may] choose another drop to $400 [as] an opportunity to support [the] price — as they appeared to [do] in August. But this mont[h's] figures from the Bank for Int[er]national Settlements underli[ne] the fact that several of the[se] countries are running out [of] readily investible funds—a p[re]dicament shared by quite a f[ew] other participants in the g[old] market.

Exco International

After the Cable and Wirel[ess] launch, no one was disposed [to] *underplay his hand in the flo*[ta]tion of Exco International, a[nd] the news that the issue [had] been oversubscribed 62½ tim[es] comes as *no surprise.* But t[he] very fact that the outcome h[ad] been widely expected provid[ed] an obvious stagging opp[or]tunity, and now, conceals a[ny] clues as to the extent of t[he] premium when dealings open [on] Wednesday.

The usual cat and mou[se] game has been played with s[ub]scribers. Small applications [are] being less favourably treated [in] the weighted ballot th[an] medium sized ones. Wo[rst] placed are any stags who put [in] individual applications [for] 56,000 shares or more. Th[eir] cheques have already be[en] cashed. By the time they rece[ive] their change they are likely [to] be *needing a 30p premium* [on] the offer price to cover inter[est] charges. The corollary is [an] extra profit of £1m or more *to be shared between Exco a*[nd] its sponsors — which may h[elp] soothe any recriminations ab[out] the pricing of the issue.

An interesting question [is] whether the excitement creat[ed] by the issue will have a[n] impact on the supply of st[ock] in this glamorous new sector. [A] few years ago, it hardly exist[ed] and those that were quoted w[ere] not especially loved. Apart fr[om] the possibility of further int[ro]ductions — any likely candid[ate] must be dusting down [its] balance sheet — one or t[wo] of the quoted brokers may fi[nd] the temptation to issue stock [on] their own account difficult [to] resist after the sharp rise [in] share prices during the last f[ew] weeks.

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